Upper Pájaro River Floodplain Protection Project

February 2003

The Nature Conservancy

SAVING THE LAST GREAT PLACES ON EARTH

II. General Information

Project Name: **Upper Pájaro River Floodplain Protection**

Project Location: ____**Pájaro River area, between Hwy. 152 & Hwy. 101**

County: **Santa Clara/ San Benito**

Name and address of sponsoring agency or non-profit organization:

The Nature Conservancy

201 Mission Street, 4th floor

San Francisco, CA 94105

Name of Project Manager (contact):

Lloyd Wagstaff

_____

Phone Number: **415-281-0447** E-mail Address: **lwagstaff@tnc.org**

Grant Request Amount: **$3,271,000.00**

_____ _____

Project Manager Title

_____**February 13, 2003**_____

Date

Project Objective(s): Briefly describe your project and explain how it will advance FPCP goals. Please also include a detailed map of the immediate project site and another that shows its location within your geographical area. Photographs showing problem areas proposed to be enhanced by the project should also be included.

The Pájaro River originates in the Coastal Mountain Range south of San Francisco Bay and flows generally west to its mouth in the Monterey Bay. The upper reaches flow from the high water table in the easterly part of the Santa Clara Valley and wetlands just west of Highway 152. San Felipe Lake is created by flood waters of the upstream watershed, but retains water throughout the year. Downstream of the Lake, the Pájaro River flows through the broad, shallow Upper Pájaro River Floodplain area. This area is defined at the downstream end by the Sargent Hills at the westerly end of the valley and encompasses roughly 8,000 acres. Downstream of the Upper Pájaro Floodplain area, the river meanders through the lower foothills and onto the lower floodplain near the City of Watsonville. The lower Pájaro River is contained within levees originally built by the U.S. Army Corps of Engineers (Corps) to the River ' s mouth.

The Upper Pájaro River Floodplain supports one of the last remaining active agricultural areas in the South San Francisco Bay Area, once one of the most productive agricultural areas in the state. The soils are generally Class I to Class III with a unique interior valley climate that is relatively warm during the summer months, which does impact the overall versatility of crop selection. Crops grown in this fertile valley include lettuce, tomatoes, onions, peppers, broccoli and the like, whose high value make farming in this area economically viable. The proximity of the Upper Pájaro area to California ' s ever growing Silicon Valley, just a 30 minute drive to downtown San Jose, creates high pressure for local farmers to sell their land to developers.

Wildlife values are also high for the Upper Pájaro Floodplain. This eight-mile stretch of river contains pristine riparian, wetland, and aquatic habitats that support viable populations of many native species. These include rarer species such as California red-legged frog, California tiger salamander, Coast Range newt, western pond turtle, steelhead, willow flycatcher, and Swainson ' s Hawk. The natural flow patterns and flood processes present in this area contribute significantly to the health of the Pájaro River ecosystems.

The Upper Pájaro River Floodplain is a mostly unleveed, naturally functioning floodplain. Although no hydraulic studies were found for this segment of the river, and only limited hydrology information exists, professional opinion and local first hand experience confirm the floodplain ' s key role in reducing downstream flood impacts. River reaches above San Felipe Lake were studied by the Federal Emergency Management Agency (FEMA) which led to the designation of the Special Flood Hazard Area. Downstream, the lower floodplain

(including the City of Watsonville) is protected from flooding by levees constructed by the Corps. Currently, the lower floodplain floods at the 25-year flood flow, or 25,000 cfs. The Corps and the Counties of Monterey and Santa Cruz are in the process of re-evaluating the existing project to bring protection levels up to the estimated 100-year flood flow. A map prepared by the Corps showing historic flooding of the Upper Pájaro River Floodplain in the 1940's is shown in Exhibit V-4 attached.

The Pájaro River Watershed Flood Protection Authority, created by the state under AB 807 (1998), is currently seeking to develop flood protection projects throughout the four-county watershed. (See Exhibit III for more information regarding the Authority.)

Independent of this multi-public agency Authority, several public and private organizations are pursuing preservation of the Upper Pájaro River Floodplain and have now developed the Upper Pájaro River Floodplain Initiative (Initiative). This Initiative is also seeking to prepare a report to look at the entire floodplain and how preservation of the lands would affect all lands. (See Exhibit I for more information regarding this collaborative Initiative.) The goals of this Initiative are to:

- ***Rehabilitate natural processes in the Pájaro and the Upper Pájaro River floodplain*** to fully support, with minimal ongoing human intervention, natural aquatic and associated terrestrial biotic communities and habitats in ways that favor native members of those communities;

- ***Improve or maintain water and sediment quality*** conditions that fully support healthy and diverse aquatic ecosystems and eliminate (to the extent possible) toxic impacts on aquatic organisms, wildlife, and people;

- ***Maintain and enhance the productive capacity of agriculture lands*** by implementing environmentally compatible flood protection and water quality measures.

- ***Long-term protection of native species*** dependent on the Pájaro and adjacent wetlands to establish large, self-sustaining populations which would include
    - Wide ranging carnivores (coyotes, bobcats, mountain lions)
    - Neotropical migratory birds
    - Western pond turtles
    - Native amphibians (California red-legged frog, California tiger salamander, Coast Range Newt)
    - Native fish (California roach, hitch, Sacramento blackfish, Sacramento pikeminnow, steelhead)
    - Deer

- ***Discourage the establishment*** *of additional non-native invasive species* and reduce the negative ecological and economic impacts of established non-native species.

With funding from this grant, The Nature Conservancy will negotiate permanent protection of three properties that are within the Upper Pájaro River Floodplain Initiative. These properties are:

- ✓ Torres property (See Exhibit II-1 for photos and property information.)
- ✓ Gonzales property (See Exhibit II-2 for photos and property information.)
- ✓ Paxton property. (See Exhibit II-3 for photos and property information.)

These permanent protections will be through a mix of easements and fee-title. (Fee-title will only be sought for the Gonzales property which is critical to maintain a wildlife corridor. Other fee-title may be purchased for streambeds if the property owner so desires.) Preserving these lands will be consistent with the preservation goals of the approximately 8,000 acres that are within the Upper Pájaro River Floodplain Initiative and of the Pájaro River Watershed Flood Protection Authority, created by the state under AB 807. (See Exhibit III-1 attached.) These lands have been chosen because they:

- ✓ Are owned by willing sellers.
- ✓ Are adjacent to the Pájaro River or San Felipe Lake. These areas having the best pasture and agricultural land, the most preferred habitat corridor and the lowest floodplain elevations.
- ✓ Offer a balance of acreage in Santa Clara and San Benito counties.
- ✓ Are balanced in the easterly side of the valley as The Land Trust is negotiating to preserve several hundred acres of farmland in the downstream area of the Pájaro River. (See map, Exhibit V-1.)

II. Section 497.7. Application for Grant Funding

Details on this grant ' s compliance with this section may be found in Exhibit VIII attached.

III. Minimum Qualifications

Project proposals that do not meet the minimum qualifications will not be accepted.

A. ❒ The project proposes to use any granted funds for protection, creation, and enhancement of flood protection corridors *[Water Code Section 79037(b)]*. **YES.**

B. ❒ A local public agency, a non-profit organization, or a joint venture of local public agencies, non-profit organizations, or both proposes the project *[Water Code Section 79037(a)]*. **YES.**

C. ❒ The project will use the California Conservation Corps or a community conservation corps whenever feasible *[Water Code Section 79038(b)]*. **N/A (acquisition project.)**

D. ❒ If it is proposed to acquire property in fee to protect or enhance flood protection corridors and floodplains while preserving or enhancing agricultural use, the proponent has considered and documented all practical alternatives to acquisition of fee interest *[Water Code Section 79039(a)]*. **Fee-title acquisition of riparian areas is not critical on Torres, but offered as an option to the landowner. Gonzales property is year-round pasturage and would be useful for permanent wildlife corridor.**

E. ❒ Holders of property interests proposed to be acquired are willing to sell them *[Water Code Section 79040]*. **YES.**

F. ❒ If it is proposed to acquire property interests, the proposal describes how a plan will be developed that evaluates and minimizes the impact on adjacent landowners prior to such acquisition and evaluates the impact on the following *[Water Code Section 79041]*:
This project will maintain these lands in their natural condition and have no impact on adjacent lands. Independent of this project, the members of the Initiative are seeking to prepare a report for the Upper Pájaro Floodplain area to establish preservation and enhancement standards that may be used throughout the area by all property owners.

Floodwaters including water surface elevations and flow velocities **No change**
The structural integrity of affected levees **N/A; no levees**

Diversion facilities **N/A; no facilities**

Customary agricultural husbandry practices **Slight reduction to optimize wildlife corridor. Easement will confirm agriculture as the land's primary use.**

Timber extraction operations **N/A; no timber.**

The proposal must also describe maintenance required for a) the acquired property, b) any facilities that are to be constructed or altered. **Easement; no facilities.**

G. ❒ The project site is located at least partially in one of the following: **YES**

1. A Federal Emergency Management Agency (FEMA) Special Flood Hazard Area (SFHA), or
2. An area that would be inundated if the project were completed and an adjacent FEMA SFHA were inundated, or
3. A FEMA SFHA, which is determined by using the detailed methods identified in FEMA Publication 37, published in January 1995, titled "Flood Insurance Study Guidelines and Specifications for Study Contractors", or

4. A floodplain designated by The Reclamation Board under Water Code Section 8402(f) *[Title 23, California Code of Regulations, Division 2, Section 497.5(a)],* or a

5. Locally designated Flood Hazard Area, with credible hydrologic data to support designation of at lease one in 100 annual probability of flood risk. This is applicable to locations without levees, or where existing levees can be set back, breached, or removed. In the latter case, levee setbacks, removal, or breaching to allow inundation of the floodplain should be part of the project.

IV. (340 points) Flood Protection Benefits

A. Existing and potential urban development in the floodplain (50)

1. Describe the existing and potential urban development at the site and the nature of the flood risk.

Existing Development: Land use within the Upper Pájaro Floodplain is predominantly agriculture and native habitat. A relatively small number of residential and agricultural structures, such as barns, are have been built over the decades within the Floodplain.

Potential Development: While this area has been designated by FEMA as a Special Flood Hazard Area, it is still under significant development pressure from the Bay Area and Silicon Valley. As noted by the Pájaro River Watershed Flood Prevention Authority in its 2002 "Phase I" study discussing the Upper Pájaro floodplain, "Due to increasing pressure to provide housing in the area and employment in the area, the [Santa Clara and San Benito] counties will likely experience a great deal of pressure to allow development within the floodplain." The effects of this development pressure and typical growth patterns can be seen in the nearby cities of Gilroy just to the north and Salinas 30 miles to the south.

Residential developments in this area tend to be high density, luxury homes. If development were allowed to occur within the Upper Floodplain, flood damages are likely to be extensive.

2. How often has flooding occurred historically?

The 100-year floodplain in this area encompasses approximately 8,000 acres. Significant recent floods of the Upper Pájaro River floodplain occurred in 1937, 1940, 1945, 1955/56, 1958, 1995, and 1998. (See Exhibit V-3 & V-4 for historic and current flood maps.)

Two of the three project properties are completely within this floodplain. The third (Gonzales), is over 80 percent within the floodplain.

The Pájaro River Watershed Flood Prevention Authority is currently considering sponsoring a study to better understand the hydrologic and hydraulic characteristics of the Upper Pájaro River floodplain study area. One of the issues that the study will review is the variation of magnitude and frequency of Pájaro River flooding in this area. With this information, the occurrence of various magnitudes of flooding within Upper Pájaro River floodplain can be modeled and predicted.

3. Discuss the importance of improving the flood protection at this location. Include the number of people and structures that are affected by the flood hazard, and the flood impacts to highways and roads, railroads, airports and other infrastructure, and agriculture.

The Upper Pájaro River floodplain is generally recognized as being an extremely important feature of the Pájaro River watershed in terms of reducing the peak discharge in the lower reaches of the Pájaro River which includes the City of Watsonville.

Monterey and Santa Cruz Counties, in partnership with the U.S. Army Corps of Engineers (Corps), are re-evaluating the flood management facilities along the lower portion of the Pájaro River. In it's studies, the Corps has estimated the 100-year flow for the Pájaro River to be 44,400 cubic feet per second (cfs). The future project alternative selected by these counties will provide flood protection to the City of Watsonville for this 100-year flood flow. The flood attenuation and transitory storage provided by the Upper Pájaro floodplain is assumed to be in place in the Corps' analyses. FEMA maps of the City of Watsonville that are now affected by 100-year flooding are shown in Exhibit V-5 attached.

Within the project area, there is one house on the Torres' property and no structures on the Gonzales or Paxton properties.

These three project properties are part of the 8,000 acre Upper Pájaro River Floodplain Initiative that a number of public and private organizations are working to permanently protect.

B. Flood damage reduction benefits of the project (100)

1 Does the proposed project provide for transitory storage of floodwaters?

Yes, the Upper Pájaro floodplain has historically provided floodwater storage to the Pájaro River watershed, to the benefit of the City of Watsonville and other urban areas downstream. This project will permanently retain this capability through permanent protection of these properties.

As the Pájaro River Watershed Flood Protection Authority stated in its Phase I analysis of this watershed, *"Soap Lake [or Upper Pájaro River floodplain] is an intermittent feature of the [Pájaro] watershed but has been found to be an extremely important flood control feature.... Soap Lake is created when flood events create a backup of the Pájaro River upstream of the San Benito River. This reach of the Pájaro River acts as a natural control for increased flows from the upper Pájaro River*

watershed. This lake effect disappears as the floodwaters recede." [page I-2]

What is the total community need for transitory storage related to this water course and what percentage of the total need does this project satisfy? What is the volume of water and how long is it detained?

The Upper Pájaro River floodplain currently serves as transitory storage for the Pájaro River. The lower River communities (Watsonville, Pájaro, and the surrounding farms) are currently experiencing flooding at flows near 25,000 cubic feet per second (cfs), which is equivalent to a 25-year flood event. The 100-yr flood event with the undeveloped Upper Pájaro floodplain is estimated at 44,400 cfs. Flooding would increase if the existing floodplain storage were lost. Without the floodplain, the 100-yr flood event is estimated to increase the peak downstream Pájaro River discharge by 15,600 cfs, bringing the total discharge to 60,000 cfs.

There are approximately 8,000 acres within the Upper Pájaro River Floodplain Initiative. Preserving the lands within this project will protect approximately 10 percent of this floodplain. About three percent of the Initiative's area is now protected and an additional 15 percent is currently under active negotiations to preserve the flood benefits using local and state funding.

2. **Describe any structural and non-structural flood damage reduction elements of the project. (Examples of structural elements are levees, weirs, detention/retention basins, rock slope-protection, etc. Examples of non-structural elements are acquisition of property for open space, acquisition of land for flood flow easements, transitory storage, relocation of structures and other flood prone development, elevating flood prone structures, flood proofing structures, etc.) .**

This project protects the non-structural flood damage reduction measures already in place. We will purchase flood and agriculture easements for 1,000 acres of transitory storage within the approximately 8,000 acres of the Upper Pájaro River Floodplain Initiative area. The goal is to maintain the current flood protection benefits provided by limiting development within the floodplain. The purchase of land or easements would restrict development and permanently preserve agriculture and open space. There are no planned structural measures for this project.

3. By what methods and by how much dollar value will the project decrease expected average annual flood damages?

The project would not decrease expected average annual flood damage. However, this project would prevent increases in average annual flood damages by preventing additional development on the floodplain. The land use would be maintained as primarily agriculture and open space. This would maintain the existing downstream flow rates and flooding and would not increase the costs associated with the flood damage.

4. How does the project affect the hydrologic and hydraulic conditions at the project site and adjacent properties?

This project would maintain the current hydrologic and hydraulic conditions at the project site and adjacent properties. The floodplain limits would not be changed.

More specific hydrologic and hydraulic analyses are planned to be completed by the Pájaro River Watershed Flood Prevention Authority. Those studies will provide more specific information on the flood flows for the Upper Floodplain.

a) Will the project reduce the magnitude of a flood flow, which could cause property damage and/or loss of life?

The project would not reduce the magnitude of a flood flow, but would prevent increases in flood flow magnitude. If land within the Upper Pájaro River flood plain is not permanently protected and kept in its undeveloped condition, it is possible that the downstream flood flows could increase by over 15,000 cfs. This would cause additional property damage and possibly loss of life.

Permanently protecting these three project properties is a significant step in completing this goal.

b) What are the effects of the project on water surface elevations during a flood event which could cause property damage and/or loss of life?

Within the project area and in the downstream reaches, the water surface elevations and flood plain limits would be maintained with this project. Without the preservation of the current land use and land cover, water surface elevations in the project area and populated downstream reaches could increase and cause additional

property damage and possibly loss of life. Future studies by the Authority would determine water surface elevations considering several different scenarios.

c) How are flow velocities impacted by the project during a flood flow which could cause property damage and/or loss of life?

Within the project area and in the downstream reaches, the flow velocities could be maintained if the Pájaro floodplain project were completed.

C. Restoration of natural processes (60)

1. Describe how any natural channel processes will be restored (for example: for channel meander, sediment transport, inundation of historic floodplain, etc.) and describe how these natural processes will affect flood management and adjacent properties.

This project is to acquire and preserve three properties. Rights for enhancements to the natural processes will be acquired by easement or fee-title so that such improvements may occur in the future. (Such rights are also being acquired by the Santa Clara Valley Water District on properties that are not part of this application, but are within the Upper Pájaro River Floodplain Initiative.)

2. Describe any upstream or downstream hydraulic or other effects (such as bank erosion or scour, sediment transport, growth inducement, etc.).

The river banks upstream, downstream, and within the study area exhibit natural erosion and deposition patterns. The sediment load that originates in the Upper Pájaro River is mostly trapped in the Upper Pájaro River Floodplain area, resulting in a negligible contribution of sediment to the Lower Pájaro River. This sediment trapping effect and the erosion and deposition pattern would be maintained by the completion of this project.

3. If the project includes channel modification or bank protection work, will riprap or dredging be part of the design? If so, provide an analysis of potential benefits and impacts.

No channel modification is proposed for this grant.

D. Project effects on the local community (60)

1. How will the project impact future flooding on and off this site?

The project will prevent future damage from flooding of these project sites since no development will occur in the future. Acquiring these project sites are a significant step in the flood, habitat and agricultural protection of the entire Upper Pájaro River floodplain area.

As flood frequency and magnitude increase due to urbanization elsewhere in the watershed, a protected Upper Pájaro River floodplain would continue to provide the current level of flood protection afforded by this floodplain. This acquisition project would therefore minimize the effects of flooding on developments both within and downstream of this floodplain.

2. How will the project affect emergency evacuation routes or emergency services and demands for emergency services?

Permanent protection of these three properties will not change evacuation routes or demands for emergency services within them. Easterly evacuation routes – oriented to Hwy. 152 – are in the highest elevations and therefore the best in this area.

3. Explain how the project will comply with the local community floodplain management ordinance and the floodplain management criteria specified in the Federal Emergency Management Agency's National Flood Insurance Program (FEMA's NFIP).

No compliance issues are expected since the existing floodplain will not be affected.

E. Value of improvements protected (70)

1. What is the assessed value of structural improvements that will be protected by the project?

There is one existing house on one of the three properties that is of nominal value.

These three properties consist of about 1,200 acres and are part of the Upper Pájaro Floodplain Initiative area consisting of approximately 8,000 acres. The assessed value of structural improvements that will be protected by this Initiative is not known in detail but would include portions of the City of Watsonville and the unincorporated areas such as the town of Pájaro. (See FEMA maps for these downstream areas in

Exhibit V-5 attached.) Additional flood damages would be expected if the existing Upper Pájaro River floodplain were developed. Future studies could help to develop this information.

2. What is the estimated replacement value of any flood control facilities or structures protected by the project?

N/A

V. (340 points) Wildlife and Agricultural Land Conservation Benefits

Proponent should provide a statement of the relative importance of the project's wildlife and agricultural land conservation benefits. DWR will use the statement and all other project materials to assign a fraction of the total benefits to each type (wildlife (F_w) or agricultural land conservation (F_a)) so that the fractions total unity. Actual points scored for each type of resource will be multiplied by the respective fraction for each resource, and the wildlife and agricultural scores resulting for each type of resource will be added together.

This project area is critical for the preservation of a wildlife corridor connecting the Diablo and Santa Cruz Mountain ranges. This area also represents the last viable agricultural lands in the Santa Clara Valley.

A. (340xF_w points) Wildlife Benefits

Habitat values refer to the ecological value and significance of the habitat features at this location that presently occur, have occurred historically, or will occur after restoration.

Viability refers to the site's ability, after restoration if necessary, to remain ecologically viable with minimal on-site management over the long-term, and to be able to recover from any natural catastrophic disturbances (fire, floods, etc.).

A1Importance of the site to regional ecology (70)

1. **Describe any habitat linkages, ecotones, corridors, or other buffer zones within or adjacent to the site. How are these affected by the project?**

   These three properties each offer assistance in preserving a Pájaro River wildlife corridor. The Paxton property completely contains San Felipe Lake a year round wetland and natural sag pond and a portion of the San Felipe wetland complex. Other sag ponds are in the immediate area. Sag ponds can remain viable for hundreds or thousands of years.

   The Gonzales property contains a portion of the Pájaro River, which is quite degraded in this area. The high water table in this area means year round grasses and wetland vegetation for this one-mile stretch of project land that is not very suitable for crop production.

   The Torres property contains the Pájaro River and its confluence with the Llagas Creek and offers an opportunity to protect these riparian areas with additional buffers that are compatible with the active agriculture now found there.

   The riparian areas within the Upper Pájaro River Floodplain are important three-dimensional ecotones of interaction that include terrestrial and aquatic ecosystems, that extend down into the groundwater, up above the canopy, outward across the floodplain, up

the near-slopes that drain to the water, laterally into the terrestrial ecosystem, and along the watercourse at a variable width.

The Pájaro River, its associated riparian areas and the San Felipe wetland complex provide both an aquatic linkage between the upland streams and Monterey Bay as well as a terrestrial corridor between the Diablo Mountain Range and the Santa Cruz Mountain Range. This is the largest wildlife corridor connecting these two mountain ranges. Given the development occurring in other parts of the region, this could be the only terrestrial connection for these two mountain ranges in the future.

The corridor helps to maintain genetically viable populations by allowing gene flow through the connection of populations and habitats. The agricultural lands bordering the riparian zone currently act as a buffer zone to the sprawl. Santa Clara Valley ' s 20th century history was the urbanization of the agricultural lands and historic creeks became flood control projects. This last significant river south of Silicon Valley is an opportunity to protect both a viable agricultural area and the riparian corridor.

The proposed project aims to retain and/or enhance the inherent ecological functions of the associated aquatic, riparian, and upland components within the corridor while maintaining the agricultural buffer zone.

2. Is the site adjacent to any existing conservation areas?

These three acquisitions are critical pieces within a larger conservation plan held by several organizations in this region.

The Santa Clara County Open Space Authority was created in 1993 and began acquiring land in 1999. The two projects within Santa Clara county (Torres and Gonzales) are within conservation areas found in the 5-Year Plan, its master plan document. The Authority has also included in its open space and agricultural preservation vision the hills to the east and west of the Upper Pájaro River floodplain area and seeks to see these areas preserved.

The Nature Conservancy has included this Upper Pájaro River area as part of its Mt. Hamilton Project. It has done so to indicate the importance of this wildlife corridor to the Mt. Hamilton and Santa Cruz Mountains. These three properties are now within the Mt. Hamilton Project. TNC recently completed the acquisition of the Stevenson property, about five miles to the east of these properties which will have a benefit as an extension of the wildlife corridor. It continues to

actively seek the permanent protection of the hill lands to the east and west of the Upper Pájaro River floodplain. (See Exhibit V-9 for map.)

One easement on behalf of the federal government currently exists on the 200 acre Halperin property adjacent to the Pájaro River in San Benito County.

Additional agricultural easements are also actively being sought by the Land Trust for Santa Clara County on three separate projects covering over 1,000 acres. (See Exhibit V-1 for general location of these proposed easements.)

3. Describe any plans for aquatic restoration resulting in in-stream benefits.

This project seeks to permanently retain these properties in their current or naturally enhanced condition. Protection of the riparian areas from inappropriate grazing will be part of this permanent protection. Due to the large upstream seed sources, quality of the riparian and adjacent wetlands, and relatively intact hydrological regime, no active planting is envisioned. The vegetation will increase in density naturally as the grazing is adjusted to make it more compatible with the recruitment and development of the wetland vegetation. Other rights for restoration and enhancement of the Pájaro River and its use as a wildlife corridor will also be acquired and may be used in the future.

4. Discuss any natural landscapes within the site that support representative examples of important, landscape-scale ecological functions (flooding, fire, sand transport, sediment trapping, etc.)?

The Pájaro River floodplain supports two important ecological functions within the larger Pájaro River watershed: flooding and sediment movement. The Upper Pájaro River has no dams and is largely unleveed. A natural flow regime is present, and flood waters can flow over the banks and onto the floodplain. Sediment along the banks can be mobilized by flows, and there is active erosion and deposition occurring. These ecological process help to maintain a complex matrix of habitat types that support greater biodiversity.

A2 Diversity of species and habitat types (70)

1. Does the site possess any:

i. areas of unique ecological and/or biological diversity?

San Felipe Lake is unique sag pond wetland that is utilized extensively by many amphibian and avian species. The Pájaro

River itself still supports a healthy warm water native fish community.

ii. vegetative complexity either horizontally or vertically?

The three properties exhibit varying degrees of vertical and horizontal vegetative complexity. On portions of the Torres and Paxton properties, there are areas of mature riparian forest with a relatively complex herbaceous layer giving way to a simpler shrub layer that is overtopped by a tree layer dominated by willows and cottonwoods. As you move outward horizontally from the tree dominated riparian toward the greater wetland, rushes and sedges are more abundant, while moving upland away from the water leads to an oak savanna community. With proper management (through easement terms), the vegetative complexity will be enhanced.

2. Describe habitat components including year-round availability of water, adequate nesting/denning areas, food sources, etc.

San Felipe Lake retains some water throughout most years. In recent times, it only went completely dry during the 1976/1977 drought. There is a lot of habitat variability in the area, providing a mosaic that is useful to a vast number of species. California tiger salamanders breed in the aquatic areas but then retreat to subterranean burrows in the adjacent terrestrial uplands. Terrestrial insects from the riparian vegetation serve as part of the food base for the abundant native fish. Willow flycatchers haven ' t reestablished a breeding population here yet, but they are regular spring and fall visitors on their way to and from Central America.

3. Describe any superior representative examples of specific species or habitats.

In lowland California, natural lakes are usually relatively rare and temporary, since they fill in rapidly through sedimentation. Sag ponds are the main exception, since they can be periodically renewed by tectonic activity, with the subsidence rejuvenating the pond by producing a deeper basin..

4. **Does the site contain a high number of species and habitat types? List and describe.**

   The Pájaro River, along with San Felipe Lake and the other ponds, support a large number of native fish and invertebrate species. A riparian community of varying width surrounds the river wherever it runs across the landscape. Many species primarily use it or the freshwater marsh surrounding San Felipe Lake as habitat, while others such as the amphibians or turtles move freely back and forth between the aquatic, riparian, marsh and terrestrial communities at different times of their life. The surrounding oak savanna is the only habitat used by some species. It also provides a critical role for many of the animals that are often thought of as aquatic organisms. It provides forage and refuge for salamanders and a place for the dragonflies to obtain their prey. Due to the extensive ecotones interdigitating between all these habitats, the whole area supports a vastly larger number of species that would otherwise be possible. (See Exhibit IV for an avian species list with levels of breeding confidence.)

5. **Does the site contain populations of native species that exhibit important subspecies or genetic varieties historically present prior to European immigration?**

   A federally threatened remnant steelhead population, of the South-Central Coast ESU (listed as threatened 6/17/98) occurs in Arroyo Dos Picachos, in the upper watershed. Genetic analysis has shown that the fish are most likely of the native stock. The steelhead adults and smolts need to be able to move through San Felipe Lake and the Pájaro River as they move to or away from the spawning stream.

A3. Ecological importance of species and habitat types (100)

1. **Discuss the significance of habitat types at this location and include any local, regional, or statewide benefits received by preserving or improving the area.**

   The lake occurs along a fault line and is a sag pond, an especially important type of natural lake that is created by tectonic forces and can persist for hundreds or even thousands of years. Such lakes have unique habitat characteristics that cannot be reproduced artificially.

2. **Does the site contain any significant wintering, breeding, or nesting areas? Does it fall within any established migratory corridors? What is the level of significance? How are these affected by the project?**

The project will protect and/or enhance the breeding, nesting, and wintering areas for many species. San Felipe Lake is one of the two best bird sites in San Benito County. Black-crowned night herons have a rookery at the lake, and double-crested cormorants recently began breeding there. Aleutian Canada goose is a winter visitor, and Swainson ' s Hawk is a regular spring migrant. American white pelicans are regularly found at the site. Further development in the area is likely to result in more habitat degradation and a decline in the populations of many of the species that now utilize the project area. Willow flycatcher ' s are regular spring and fall migrants, and used to breed at the site. They are likely to breed there again if the riparian vegetation is allowed to become denser through a change in the grazing regime.

The National Audubon Society has chosen both the Pájaro River and San Felipe Lake as Important Bird Areas (IBAs) To qualify as an IBA, the site must support: Species of conservation concern (e.g. threatened and endangered species); restricted-ranges species (species vulnerable because they are not widely distributed); species that are vulnerable because their populations are concentrated in one general habitat type or biome; and species, or groups of similar species (such as waterfowl or shorebirds), that are vulnerable because they occur at high densities due to their congregatory behavior. Species such as the American Avocet, American Goldfinch, American Kestrel, Ash-throated Flycatcher, Black-headed Grosbeak, Black-necked Stilt, Blue Grosbeak, Burrowing Owl, Cinnamon Teal, Common Yellowthroat, Downy Woodpecker, Gadwall, Grasshopper Sparrow, Great Blue Heron, Green Heron, Killdeer, Lesser Goldfinch, Mallard, Marsh Wren, Northern Shoveler, Nuttall ' s Woodpecker, Pacific Slope Flycatcher, Phainopepla, Pied-billed Grebe, Red-shouldered Hawk, Ruddy Duck, Tricolored Blackbird, White-tailed Kite, Yellow Warbler, and Yellow-breasted Chat. have been confirmed to be breeding in this area (from data for the Breeding Bird Atlas for Santa Clara County). (See Exhibit IV for an avian species list with levels of breeding confidence.)

3. Describe any existing habitats that support any sensitive, rare, "keystone" or declining species with known highly restricted distributions in the region or state. Does the site contain any designated critical habitat? How are these affected by the project?

The terrestrial portions of the freshwater marsh provides foraging habitat for the California red-legged frog, California tiger salamander, and Coast Range newt. All three of these species will breed within ponds located within the marsh or even pools within the river itself. Their larvae will mature within these aquatic habitats until they go through metamorphosis and attain the adult form. Once the breeding

season is over, California tiger salamanders will retreat to subterranean rodent burrows in the adjacent oak savanna grassland. Some of the Coast Range newts will also move into the oak savanna, while others will stay within the marsh or riparian. The California red-legged frogs will stay within the marsh and riparian community most of the year. After the first heavy rains of the season, though, most of the young frogs and some of the adults will disperse into the surrounding oak savanna in search of additional wetland habitats. The Western pond turtles primarily feed in the river or ponds, but will also take advantage of any carrion that is relatively close to the water. The turtles also must come out of the water to bask on logs or other suitable substrates, and the females have to move even farther away from the water to lay their eggs. The native fish spend most of the their time within the river, but will move into the riparian and marsh during times of flood to take of advantage of all the new types of food that have suddenly become available. Deer will use the riparian and marsh for food and cover, the latter especially important for the does when they give birth to their fawns. The wide ranging carnivores such as coyotes and bobcats will hunt in all the more terrestrial areas, and use the protective cover of the vegetation themselves as they utilize the riparian as a movement corridor to obtain access to the adjacent hills.

NMFS has designated the Pájaro River as critical habitat for Steelhead. USFWS designated the Flint Hills and Santa Clara Valley Watershed as critical habitat for the California Red-legged Frog in 2001. These sites would be protected and/or enhanced by this project.

4. What is the amount of shaded riverine aquatic (SRA) and riparian habitat to be developed, restored, or preserved?

The Torres property has shaded riverine aquatic (SRA) and riparian habitat along the full length of its intersection with the Llagas Creek which is managed by the Santa Clara Valley Water District. Approximately 10% of its intersection with the Pájaro River has shaded riverine aquatic and riparian habitat. With proper management (through an easement), the SRA and riparian habitat would be enhanced along all property/waterway boundaries.

A4. Public benefits accrued from expected habitat improvements (60)

1. **Describe present public use/access, if any. For instance, does or will the public have access for the purpose of wildlife viewing, hunting, fishing, photography, picnics, etc.**

   Negotiations for these rights may include buying appropriate rights for some public recreation to enjoy passive recreation activities such as walking and bird-watching in the Torres and Gonzales parcels.

   The DeAnza National Historic Trail is formally planned next to the Pájaro River in this area. This alignment is confirmed in the Santa Clara County-wide Trail Plan as accepted by the County Board of Supervisors. (See Exhibit V-6 for County Trail Plan.) However, additional funds will be necessary for the formal approval, planning and construction of these public improvements.

2. **Discuss areas on the site that are critical for successfully implementing landscape or regional conservation plans. How will the project help to successfully implement the plans?**

   The Pájaro River Watershed Flood Protection Authority's enabling legislation calls for human, economic and environmental resources of the watershed are preserved, protected and enhanced in terms of watershed management and flood protection (See AB 807, Section 1.)

   The partnership's vision for the area is preservation of the region's agricultural heritage, protection of the scenic vistas and working farms and ranches, continued use of the land as a flood plain for protection of users and the health of Monterey Bay, healthy restored riparian areas for safe, clean water and wildlife corridors, and opportunities for recreational and educational uses. The protection of the proposed parcels will implement the overall vision.

3. **Describe the surrounding vicinity. Include the presence or absence of large urban areas, rapidly developing areas, and adjacent disturbed areas with non-native vegetation and other anthropogenic features. Do any surrounding areas detract from habitat values on the site?**

   The properties are located at the easterly end of the Santa Clara Valley on either side of the San Benito – Santa Clara county line, near Hwy. 152 and Frazier Lake Road. This area takes in the level to gently sloping valley floor of this Upper Pájaro River basin.

The predominant land use in the neighboring area is currently agriculture and rural residential. The agricultural land uses in the area include irrigated row crop farming and pasture. The soil quality of the irrigated farmland varies from Class I to IV.

The rural residential land uses exist primarily along Hwy. 152 at the base of the Mt. Hamilton Range. This use has been expanding over the past 20 years as the former ranches have been subdivided into 1 to 40 acre parcels. This market is strongly influenced by the proximity to San Jose and the Silicon Valley, which is approximately a 30 minute drive to the north.

The City of Gilroy ' s sphere of influence is just to the north of this area. The City ' s actual boundary limit is about a mile to the north. The City of Hollister is about ten miles to the south. (For regional map, see exhibit V-1.) Each of these cities is under forms of controlled growth mechanisms and there is tremendous pressure for new development outside of their boundaries.

4. Describe compatibility with adjacent land uses.

The three project parcels are all adjacent to compatible agricultural uses. The land uses in the neighboring area are agriculture, agricultural industrial and rural residential. The agricultural land uses include irrigated row crop farming and orchards.

A5. Viability/sustainability of habitat improvements (40)

1. **Describe any future operation, maintenance and monitoring activities planned for the site. How would these activities affect habitat values?**

Through easements or fee-title, there will be basic biological monitoring of the project sites. Monitoring will include assessments of water quality, species inventories, and vegetation mapping.

With additional funds, plans would include removal of non-native plan species that might negatively impact native species. With additional planning, the planting of herbs, shrubs or tree layers in certain areas that would be anticipated to improve habitat values.

2. **Does the site contain large areas of native vegetation or is it adjacent to large protected natural areas or other natural landscapes (for example, a large stand of blue-oak woodland adjacent to public land)?**

The project area includes hundreds of acres of wetland vegetation around San Felipe Lake, and a riparian band of varying width along the

Pájaro River. It forms an extremely important linkage between two vast functional and mostly unfragmented natural landscapes, the Diablo Range to the east and the Santa Cruz Mountains to the west.

3. Is the watershed upstream of the site relatively undisturbed or undeveloped and likely to remain so into the foreseeable future? Describe its condition.

The majority of the upstream watershed to the project area is undeveloped. The dominant land cover for that area is grasslands and forests. Pastures, orchards, and some row crops can also be found.

There is some development upslope along Hwy. 152. Rural residential and hillside ranchettes are a possibility in the future, but the applicant and the Santa Clara County Open Space Authority are seeking additional acquisitions in this area to preserve it in its natural condition.

4. Describe any populations of native species or stands of native habitats that show representative environmental settings, such as soil, elevations, geographic extremes, or climatic conditions (for example, the wettest or most northerly location of a species within the state.)

The think-tailed chub used to occur in San Felipe Lake, and the species is currently thought to be extinct. However, there hasn't been any recent comprehensive fish survey and it is conceivable that the species is still present in the lake.

B. (340xF_a points) Agricultural Land Conservation Benefits

B1. Potential productivity of the site as farmland (120)

1. **Describe the quality of the agricultural land based on land capability, farmland mapping and monitoring program definitions, productivity indices, and other soil, climate and vegetative factors.**

   The Torres property is currently used for irrigated row crops. This property has recently been used to grow lettuce and tomatoes. Soil on this property is generally Class II & III and does not have the same quality of soil found in the nearby Salinas Valley. This area however does enjoy the same temperate climates.

   The Paxton property has always been used as year-round cattle pasture. The Gonzales property has some history of row-crop agriculture but is currently being used for pasture.

2. **Are projected agricultural practices compatible with water availability?**

   With the high water table and additional supply from the Santa Clara Valley Water District within Santa Clara County, there is ample quantity and quality of water for agricultural purposes.

3. **Does the site come with riparian, mineral, and/or development rights?**

   Preliminary title reports will confirm rights that are available.

4. **Is the site large enough to sustain future commercial agricultural production?**

   The Torres property is currently under irrigated row crop production and is large enough to continue this use.

   The Gonzales property has been used for irrigated row crop production but is currently being used for summer grazing pasture and may continue to be used in that capacity.

   The Paxton property has always been grazing pasture and is large enough to continue to be used for that purpose.

5. **Does the site contain any adverse or beneficial deed restrictions affecting agricultural land conservation?**

   None are known. Title report will confirm.

6. **Describe the present type of agricultural use including the level of production in relation to the site's productivity potential. What is the condition of the existing infrastructure that supports agriculture uses?**

The Torres property is currently used for irrigated row crops. This property has recently been used to grow lettuce and tomatoes. Soil on this property is generally Class II & III and does not have the same quality of soil found in the nearby Salinas Valley. But this area does enjoy the same temperate climates.

The Paxton property has always been used as year-round cattle pasture. The Gonzales property has some history of row-crop agriculture but is currently being used for pasture.

The agricultural industrial land uses in the immediate area include several cold storage and fruit and vegetable processing facilities. The agricultural-industrial uses have been expanding in recent years, with several new facilities having been developed long Highway 20 in southerly Santa Clara County.

B2. Farming practices and commercial viability (40)

1. **Does the area possess necessary market infrastructure and agricultural support services?**

Yes. The agricultural industrial land uses in the immediate area include several cold storage and fruit and vegetable processing facilities. The agricultural-industrial uses in this area have been expanding in recent years.

2. **Are surrounding parcels compatible with commercial agricultural production?**

Most of the area is currently utilized as agricultural land.

3. **Is there local government economic support in place for agricultural enterprises including water policies, public education, marketing support, and consumer and recreational incentives?**

No current economic support from local government is in place.

4. **Describe any present or planned future environmentally friendly farm practices (no till, erosion control, wetlands avoidance, eco-friendly chemicals, recycling wastes, water conservation, biological pest control)**

   The properties in the project area are mostly being used for grazing. Landowners in the project area are taking part in voluntary water quality short courses. In the Upper Pajaro River Floodplain, there is additional organic farming, extensive use of drip irrigation on row crops, and the area has the "Z-Best Green Waste Composting" facility. Future phases of this project will involve excluding cattle from riparian areas.

B3. Need and urgency for farmland preservation measures (70)

1. **Is the project site under a Williamson Act contract?**

   Torres: Yes
   Gonzales: Yes (except for five acres)
   Paxton: Yes

2. **Describe the surrounding vicinity. Include the presence or absence of large urban areas, rapidly developing areas, low density ranchette communities, and adjacent disturbed areas with non-native vegetation and other human-induced features. Do any surrounding areas detract from agricultural values on the site?**

   This area is the last remaining agricultural area in Santa Clara County with relatively large parcels of land. (See exhibit V-8.) The City of Gilroy is within two miles of this area, but currently has no applications for annexations nearby.

   To the east, there are several small ranchettes along Hwy. 152.

   There are no significant land uses in the surrounding areas that detract from agricultural values on this site.

3. **What types of conversion or development are likely on neighboring parcels? What are the land uses of nearby parcels? Describe the effects, if any, of this project to neighboring farming operations or other neighboring land uses.**

   The most likely type of conversion for neighboring properties is to residential development. Neighboring parcels are relatively flat and currently used for agricultural production. This project will support agriculture as the continued land use in the area. On the three project properties, easements will restrict changes in the land use. In the overall area, permanent dedication of land to agricultural uses is likely

to help maintain the local agricultural community, economic viability, and protect the agricultural zoning designations within the counties.

The area includes the Z-Best Green waste Composting facility, several thousand acres of grazing land, and extensive use of drip irrigation on the row crop land. Growers in the project area are taking part in voluntary water quality short courses.

4. **Describe the relationship between the project site and any applicable sphere of influence.**

   All parcels are unincorporated lands and are outside of any city sphere of influence. (See Exhibit V-1.)

5. **Is the agricultural land use on the project site consistent with the local General Plan? Does the General Plan demonstrate commitment to long-term agricultural conservation.**

   Yes. In Santa Clara County, the lands are zoned "A-Exclusive Agriculture" (formerly "Agriculture - Large Scale) and is intended to provide "stability for on-going agricultural operations" and allows a minimum parcel size of 40 acres. In San Benito County, the lands are zoned AP, "Agricultural Productive" and is intended to provide areas to be used for agricultural production with a minimum parcel size of 5 acres. (See Exhibit VI for actual text for both counties.)

B4. Compatibility of project with local government planning (50)

1. **Is the agricultural land use on the project site consistent with the local General Plan? Does the General Plan demonstrate commitment to long-term agricultural conservation?**

   Yes. In Santa Clara County, the lands are zoned "A-Exclusive Agriculture" which is intended to provide for "stability for on-going agricultural operations" and allows a minimum parcel size of 40 acres. (See Exhibit VI-1 for actual text.)

   In San Benito County, the lands are zoned AP, "Agricultural Productive" and is intended to provide areas to be used for agricultural production with a minimum parcel size of 5 acres. (See Exhibit VI-2 for actual text.)

2. **What is the present zoning and is the parcel developable?**

   In Santa Clara County, the lands are zoned "A-Exclusive Agriculture" and is intended to provide for "stability for on-going agricultural operations" and allows a minimum parcel size of 40 acres.

   In San Benito County, the lands are zoned AP, "Agricultural Productive" and is intended to provide areas to be used for agricultural production with a minimum parcel size of 5 acres.

3. **Is there an effective right to farm ordinance in place?**

   San Benito and Santa Clara Counties have an effective Right to Farm ordinance.

4. **Is the project description consistent with the policies of the Local Agency Formation Commission?**

   Yes in Santa Clara County.

5. **Will the project as proposed impact the present tax base?**

   Agricultural lands have a negligible impact on the Santa Clara County tax base.

B5. Quality of agricultural conservation measures in the project (50)

1. **For agriculture lands proposed for conservation, describe any additional site features to be conserved that meet multiple natural resource conservation objectives, including wetland protection, wildlife habitat conservation, and scenic open space preservation where the conservation of each additional site feature does not restrict potential farming activities on the agriculture portions of the site.**

   The protection of natural resource values includes protection of riparian, wetland and aquatic habitats, and their associated benefits to wildlife. Some fencing may be installed to protect these resources from the effects of cattle grazing, but is not anticipated to impact the agriculture portions of the properties.

2. **What are the present biological/ecological values to wildlife? How are these values affected by the proposed project?**

   The agricultural lands currently provide a buffer to the riparian areas fromthe effects of development andsprawl, including impacts on water and air quality. Agriculture lands may also provide foraging grounds, depending on management practices (not sure we want to point this out). The project proposes to maintain an agricultural buffer zone.

3. **Is the project proponent working with any local agricultural conservancies or trusts?**

   Yes. The Land Trust for Santa Clara County, the Santa Clara County Farm Bureau, the San Benito Land Trust, San Benito Resource Conservation District, the San Benito Farm Bureau and the American Farmland Trust.

4. **Does conservation of this site support long-term private stewardship of agricultural land? How does this proposal demonstrate an innovative approach to agricultural land conservation?**

   Several organizations are now partnering to implement a common vision for the Upper Pájaro River Floodplain Initiative:

   - ✓ The Land Trust for Santa Clara County
   - ✓ Santa Clara Valley Water District
   - ✓ The Nature Conservancy
   - ✓ Santa Clara County Open Space Authority
   - ✓ San Benito Agricultural Land Trust
   - ✓ American Farmland Trust

   and are working to craft common easement goals that will meet the needs of agricultural preservation, riparian habitat enhancements and the development of passive public access to the least sensitive areas, and incorporate these goals into a flood protection program in cooperation with the Pájaro River Watershed Flood Prevention Authority.

5. **Without conservation, is the land proposed for protection likely to be converted to non-agricultural use in the foreseeable future?**

   It is most likely that these lands will be subject to continual development pressure in the immediate future. As one appraiser recently noted,

" The element of speculation is apparent in the sales of agricultural type properties located in southern Santa Clara County and northern San Benito County. Historically, agricultural properties in this market area have sold at a low rate of return in relation to the agricultural rental value. The overall rate of return on an agricultural investment in this market area ranges from about 2 to 4 percent. This rate of return is very low in comparison to other agricultural districts in California where the speculation for future development is less noticeable. In the adjoining Salinas and Pájaro Valleys [in Monterey County], agricultural properties typically command a 5 to 7 percent return. The low rate of return in southern Santa Clara County and northern San Benito County *reflects the speculation that exists amongst the buyers and sellers that the agricultural use in this area is in a period of transition."* (Emphasis added.*)*

VI. (320 points) Miscellaneous Benefits and Quality of Proposal

A. Size of request, other contributions, number of persons benefiting, cost of grant per benefited person (40)

(See exhibit II-4 for details of these figures.)

Estimated Total Project Cost	$4,471,000
Amount of FPCP Grant Funds Requested	$3,271,000
Amount of Local Funds Contributed	$700,000
Amount of In-kind Contributions	N/A
Additional Funding Sources (Federal grant application)	$500,000
Number of persons expected to benefit	25,000
Flood Protection Corridor Funds per person benefited.*	$179.00

(* Count as beneficiaries those receiving flood benefits, recreational users of habitat areas protected by the Project, and consumers of food products from agricultural areas conserved by the Project.)

B. Quality of effects on water supply or water quality (90)

1. Will water stored by the project provide for any conjunctive use, groundwater recharge, or water supply benefit?

Most of the study area has a hydrologic soil grouping of C or D, indicating that infiltration rates are slow to very slow. These soil characteristics could preclude highly effective and efficient conjunctive use and groundwater recharge. Since the water is detained in the floodplain, there will be more infiltration occurring than if there had been no floodplain. Additional geologic studies would need to be performed to quantify the possible recharge benefit. Development of a water supply is not currently part of this project.

2. Does the project fence cattle out?

Yes.

3. **Does the project pass water over newly developed fresh water marsh?**

No.

4. **Does the project trap sediments**?

Upper Pájaro River Floodplain currently naturally traps the sediments flowing from the Upper Pájaro River watershed. This project would maintain these capabilities.

C. Quality of impact on underrepresented populations or historic or cultural resources (60)

1. Does the project benefit underrepresented populations? Explain.

Agricultural preservation is a key component of the Initiative. These efforts will strive to maintain the agricultural community and economy. This can have direct benefits, such as employment and quality of life, for underrepresented populations that are integral to the community.

2. Are historical or cultural resources impacted by the project? Explain.

No such resources are known to exist within these acquisition projects.

D. Technical and fiscal capability of the project team (60)

1. Does the project require scientific or technical expertise, and if so, is it provided for in the grant proposal?

This is an acquisition project and there is sufficient expertise to complete this project.

2. Grant funds will be available in phases. What monitoring and reporting mechanisms are built into your administrative plan to track progress, initiation, and completion of successive phases?

Each acquisition will be an independent project task which may occur as soon as sellers are willing negotiations to convey appropriate rights are complete.

3. Please outline your team's management, fiscal and technical capability to effectively carry out your proposal. Mention any previous or ongoing grant management experience you have.

The Nature Conservancy is an international non-profit organization whose mission is to preserve the plants, animals, and natural communities that represent the diversity of life on Earth by protecting the lands and waters they need to survive. Operating in the United

States for the past forty years, the Conservancy also has launched programs in Latin America, the Caribbean, and the Pacific to help protect millions of acres outside the United States. The operator of the largest private system of nature sanctuaries in the world, the Conservancy owns and manages more than 1,500 preserves throughout the U.S.

The California Chapter is The Conservancy's largest state program and a leader in program development. In California, we have more than 125,000 members and have protected nearly one million acres. Much of our work is done in partnership with others, including public agencies. The Conservancy has extensive experience with managing public grants, and has the expertise necessary to complete this project.

E. Coordination and cooperation with other projects, partner agencies, and affected organizations and individuals (80)

1. **List cost sharing and in-kind partners and any other stakeholders involved with your project and indicate the nature of their contribution, if any. Address the team's ability to leverage outside funds**.

Several organizations are now partnering to implement a common vision for the Upper Pájaro River floodplain:

- ✓ The Land Trust for Santa Clara County
- ✓ Santa Clara Valley Water District
- ✓ The Nature Conservancy
- ✓ Santa Clara County Open Space Authority
- ✓ San Benito Agricultural Land Trust
- ✓ American Farmland Trust

Funding is anticipated from The Nature Conservancy, Santa Clara County Open Space Authority and fundraising from The Land Trust for Santa Clara County. (See Exhibit X attached for anticipated cost sharing.)

Matching funds will also be sought from the North American Wetlands Conservation Act (NAWCA) federal program which provides matching grants to private and public organizations who have developed partnerships to carry out wetlands conversation projects.

2. **Does your project overlap with or complement ongoing activities being carried out by others (such as CALFED, the Sacramento and San Joaquin River Basins Comprehensive Study, the Delta levee program, local floodplain management programs, the Reclamation Board's Designated Floodway program, or a multiple objective regional or watershed plan)? If so, indicate any coordination that has taken place to date or is scheduled to take place in the future.**

The Pájaro River Watershed Flood Prevention Authority was established in October 1999 in order to "identify, evaluate, fund, and implement flood prevention and control strategies in the Pájaro River Watershed, on an intergovernmental basis" (AB 807; for full text, see exhibit III-1).

The designated members of the Authority under AB 807 are:

County of Monterey
County of San Benito
County of Santa Clara
County of Santa Cruz
Monterey County Water Resources Agency
San Benito County Water District
Santa Clara Valley Water District
Zone 7 Flood Control District

In 2000, the Authority accepted the "Phase 1 Final Report for the Pájaro River Watershed Study" which was intended to develop tools to understand the causes of flooding in this watershed. The report stated that the next phase would be to "identify, select, and begin to design projects that will implement flood prevention and control strategies within the watershed as well as enhance opportunities for water supply, environmental restoration, groundwater protection, and intergovernmental participation." (See exhibit III-1 for the Executive Summary of the Phase I Study. See also Exhibit III-2 for information on the AB 807.)

3. **Will this application, if approved, begin the next phase of a previously approved project or advance an ongoing project substantially toward completion?**

Approval of this grant will assist the Pájaro River Watershed Flood Protection Authority in achieving AB807's goals of flood protection within the Pájaro watershed.

The Authority is now completing Phase II (of the study process described in question No. 2 above) and developing flood protection alternatives – including the permanent protection of Soap Lake.

The draft Phase II report states that such permanent protection is to "maintain the current flood protection benefits provided by Soap Lake by prohibiting development within the floodplain. The purchase of land or easements would restrict development and preserve agriculture and open space."

4. Describe how the proposal demonstrates a coordinated approach among affected landowners, local governments, and nonprofit organizations. If other entities are affected, is there written support for the proposal and a willingness to cooperate?

Several organizations are now partnering to implement a common vision for the Upper Pájaro River floodplain:

- ✓ The Land Trust for Santa Clara County
- ✓ Santa Clara Valley Water District
- ✓ The Nature Conservancy
- ✓ Santa Clara County Open Space Authority
- ✓ San Benito Agricultural Land Trust
- ✓ American Farmland Trust

While many of the goals of these organizations overlap, some of these goals have historically been in opposition to each other. The partners recognize the need to respect each other's vision, but also recognize that the vision must be crafted carefully to balance so many needs.

They are now jointly preparing a study that will develop a standard easement format to allow future flooding, restrict development and preserve agriculture and revitalize riparian habitat and the Pájaro Wildlife corridor. The result of this program will enhance groundwater discharge, protect surface water quality. By acquiring appropriate rights, these organizations will also explore possible regional trail opportunities in this area.

The Pájaro River Watershed Flood Protection Authority is mandated to identify flood projects within this watershed and the Pájaro River Floodplain is considered a priority project. The Authority's members are:

- ✓ Santa Cruz County
- ✓ Monterey County
- ✓ San Benito County
- ✓ Santa Clara County
- ✓ Zone 7 Flood Control District
- ✓ Monterey County Water Resources Agency
- ✓ San Benito Water District
- ✓ Santa Clara Valley Water District

See Exhibit VII for letters in support of this project.

Thank you for taking the time and effort to fill out this application. Please send one hard copy with required signatures by 3:00 p.m. on February 14th, 2003 to:

Earl Nelson, Program Manager
Flood Protection Corridor Program
Division of Flood Management
1416 9th Street, Room 1641
Sacramento, CA 95814

Please also send an electronic copy by 3:00 p.m. on February 14th, 2003 to:

Bonnie Ross at bross@water.ca.gov

Pájaro Floodplain Study

Several organizations are now partnering in a common vision for a study for the Soap Lake area in Santa Clara and San Benito counties. This plan will develop an integrated land preservation plan for protection of water quality, agriculture and the flood plain; to enhance riparian habitat and wildlife corridor values; and to explore compatibility for the Bay Area Conservancy ' s Regional Ridge Trail system which is planned for this area.

Soap Lake

The Pájaro River is the largest coastal stream between the San Francisco Bay and the Salinas Watershed in the County of Monterey. The watershed is approximately 1,300 square miles and covers portions of Santa Cruz, Santa Clara, San Benito, and Monterey Counties. The large size contributes to the number of diverse environments, physical features, and land uses within the watershed boundary.

One of the significant features within this watershed is an area occasionally known as Soap Lake, which is an intermittent feature of the watershed but has been found to be an extremely important flood control characteristic of the greater Watershed. Upper Soap Lake is also known as San Felipe Lake and is a permanent body of water located just inside of San Benito County. Lower Soap Lake, or just Soap Lake, which is located between San Felipe Lake and the Highway 101 crossing, is created when flood events create a backup on the River upstream of the San Benito River (which is located about half-way between Highway 101 and the Pacific Ocean).

Developing a Plan

This area of the Pájaro, lying between Highway 101 and Route 152 and consisting of about 8,000 acres, has been considered by many organizations as an area worth preserving and enhancing. However, the vision varies depending on the unique goal of each organization.

Continued Flooding of Soap Lake

The Pájaro River Watershed Flood Prevention Authority has recently completed its Phase I " Watershed Study " which recognizes the importance of Soap Lake as a " natural, temporary reservoir " that provides significant flood protection from downstream areas such as the City of Watsonville. The Authority is now considering supporting the development of a flooding easement program to confirm that

lands within the Soap Lake area will continue to be allowed to act in this capacity. They have endorsed the creation of a Plan to gather this information to help them make this determination.

Preserve Agriculture

Intense, row-crop farming and cattle grazing continues to be a viable industry in the Soap Lake area. The Land Trust for Santa Clara County is now working on an agricultural easement protection program will help assure that this remains so into the future.

Revitalize Riparian Habitat & Wildlife Corridors

The Nature Conservancy is interested in preserving and enhancing the Soap Lake area as a potential wildlife corridor. Preliminary indications show that the Pájaro and some of its tributaries may still be a significant benefit to the movement of wildlife between the Santa Cruz and Mt. Hamilton Mountains. TNC seeks to achieve this goal without substantially reducing productive agricultural lands.

Regional Trail Opportunities

The Santa Clara County Open Space Authority ' s 5 Year Plan indicates a low-impact regional trail in this area. Examination of a public access plan must be done sensitively and in a way that is compatible with proposed environmental enhancements and on-going farmland use.

Enhance Groundwater Discharge

Water in Soap Lake currently remains within the watershed over a rural landscape for a longer time, thereby increasing percolation into the groundwater and recharging the aquifer.

Protect Surface Water Quality

Soap Lake currently acts as a natural detention pond and much of the sediment from the lands from above it are able to fall out. This naturally minimizes the sediment deposition in the lower Pájaro River Channel.

Proposed "Joint Study" Structure

Compilation of Watershed Data There is much information regarding the Pájaro River, but little has been brought together into one plan. The following information will be examined and summarized for the entire Pájaro, from San Felipe Lake to the Pacific Ocean:

- Hydrology
- Water Quality
- Habitat
- Agriculture: Soils & Current Uses (where relevant)
- Zoning, Uses & Improvements

Develop Common Easement Goals. Model clauses that may be used in Conservation Easements and that will jointly address the needs of the Stakeholders. The model is expected to address: protection of agriculture; acknowledgement of future flooding; process for considering additional structures; sustainable agriculture; management standards to minimize toxic impacts on aquatic organisms.

Possible Pájaro River Enhancements. Schematic scale examples of flood protection enhancements and riparian improvements and their general location.

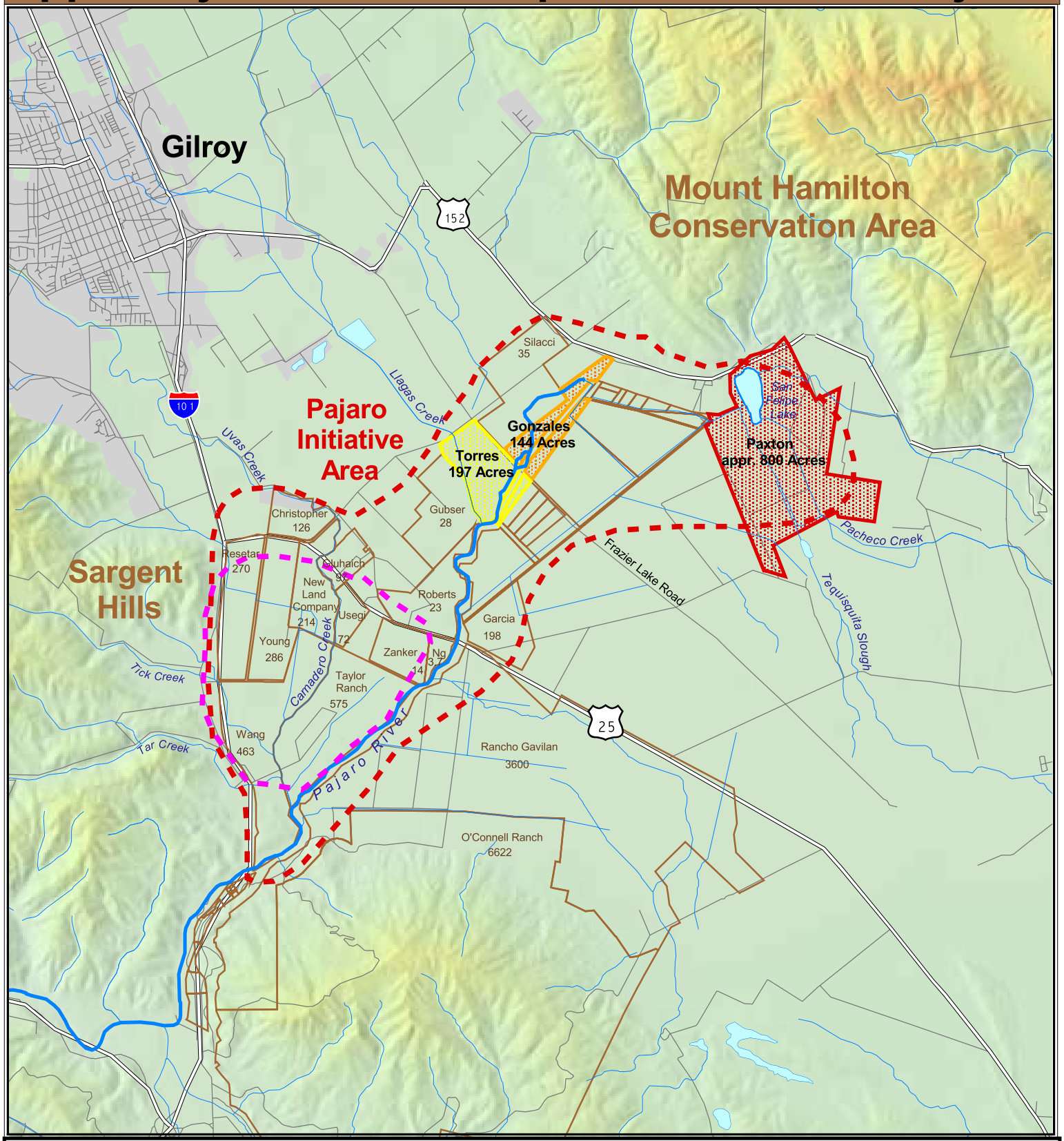
Investigate Regional Trail Alternatives. Trail cross sections (street and levee) that are most compatible with agriculture and habitat protection. This will also include an estimate of any additional rights of way necessary along public streets and a summary of potential impacts for both alternatives together with possible mitigation for those impacts.

Possible Agriculture Enhancements / Water Quality Protections.

Key Assurances

- ✓ Acquire the least degree of interest in property needed to accomplish the Plan ' s objectives;
- ✓ Ensure the availability of safe harbor agreements to all private landowners adjoining the Pájaro;
- ✓ Develop a public use program that provides compatible recreational trail and viewing opportunities;
- ✓ Protect, manage, and restore the area ' s natural habitats in a manner compatible with the role of the Soap Lake area as a flood protection element;
- ✓ Have a negligible impact on the total acres of prime agricultural land in Santa Clara and San Benito Counties.

Upper Pajaro River Floodplain Protection Project



Tier 1 Parcels
- Gonzales
- Paxton
- Torres

Urban

Lakes

Streams

Land Trust for Santa Clara County Negotiations Area

Initiative Area

N

The Nature Conservancy
SAVING THE LAST GREAT PLACES ON EARTH

Created by
Ca. Planning Department
12/02/03

Exhibit II-1
Torres Property

Owner: Mitchell Torres & Nancy Torres
22990 Guidotti Drive
Salinas CA 93908
(Note: Now in bankruptcy; Ramon Montes is acquiring through bankruptcy and is interested in a conservation easement.)

Acquisition Proposal:

Grant Project		Total
Easement	Fee-Title	
200 ac.	30 ac.	230 ac.

NOTE: Fee – title acquisition would be of the riparian area if property owner prefers not owning the riparian corridor.

Estimated Project Value: $700,000
FPCP: $200,000
Other: $500,000

Property Location: Either side of the Pájaro River; west of Frazier Lake Road.

Property Condition: Flat; some berms for Pájaro River; levees for Llagas creek (owned by Water District).

Structures/Improvements: One small, renovated house; agricultural pumps; horse paddock.

General Plan:
Santa Clara: "A - Exclusive Agriculture"
San Benito: "AP - Agricultural Productive"

FEMA: All within 100-year flood zone.

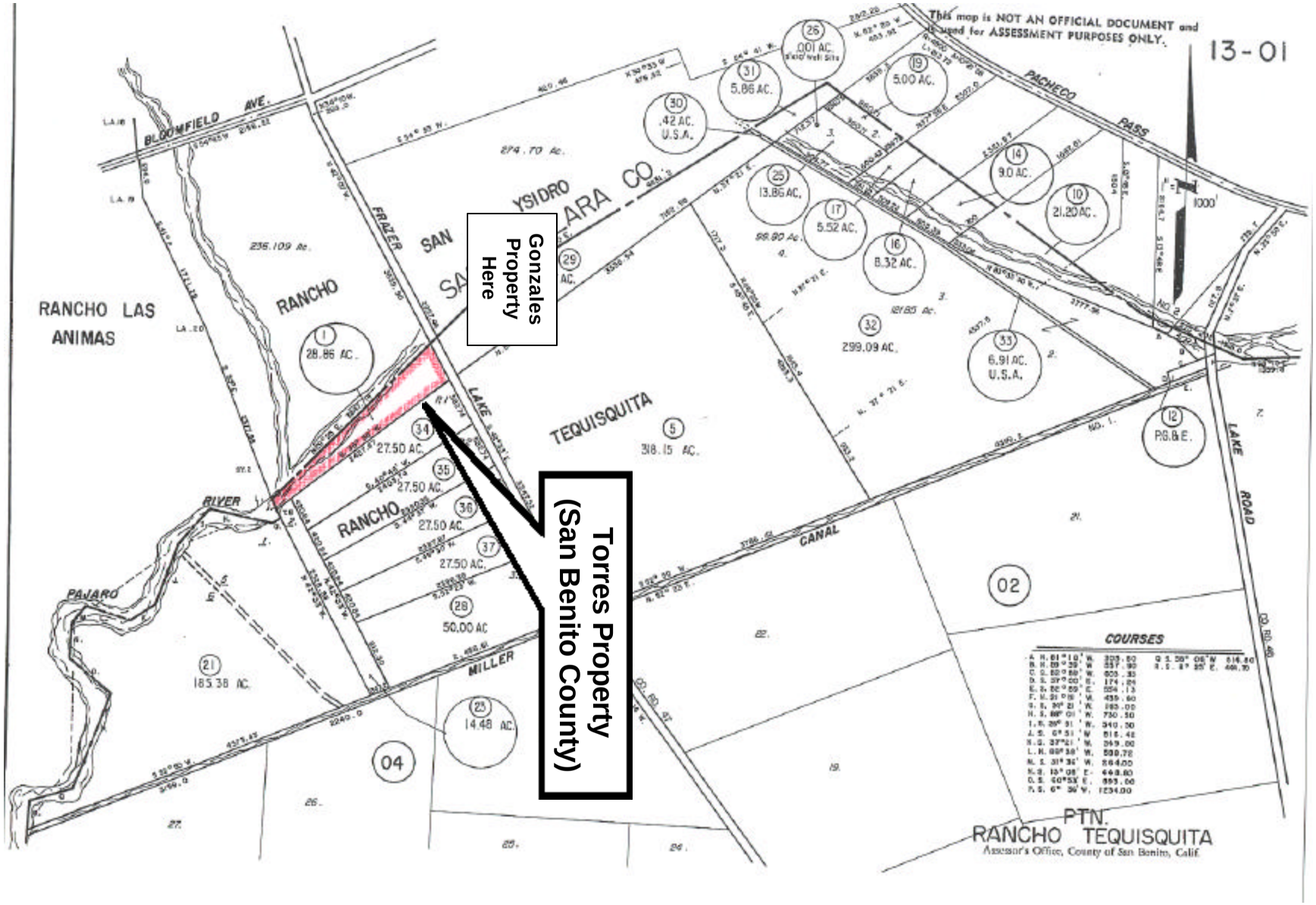
Williamson Act Status: Yes; both counties

Pájaro River looking south into San Benito County.

Row – crop use of Torres property.

House on Torres property; located at westerly end and south of Bloomfield Road.

Torres Property: Pájaro River, looking southeasterly.


This map is NOT AN OFFICIAL DOCUMENT and is used for ASSESSMENT PURPOSES ONLY.
13-01
Gonzales Property Here
Torres Property (San Benito County)
RANCHO LAS ANIMAS
RANCHO
TEQUISQUITA
SAN YSIDRO
BLOOMFIELD AVE.
FRAZER LAKE ROAD
PACHECO PASS
LAKE ROAD
PAJARO RIVER
MILLER CANAL
1 28.86 AC.
5 318.15 AC.
12 P.G.&E.
14 9.0 AC.
16 8.32 AC.
17 5.52 AC.
19 5.00 AC.
21 185.38 AC.
25 14.48 AC.
26 .001 AC.
28 50.00 AC
29 AC.
30 .42 AC. U.S.A.
31 5.86 AC.
32 299.09 AC.
33 6.91 AC. U.S.A.
34 27.50 AC.
35 27.50 AC.
36 27.50 AC.
37 27.50 AC.
02
04
COURSES
PTN. RANCHO TEQUISQUITA
Assessor's Office, County of San Benito, Calif.

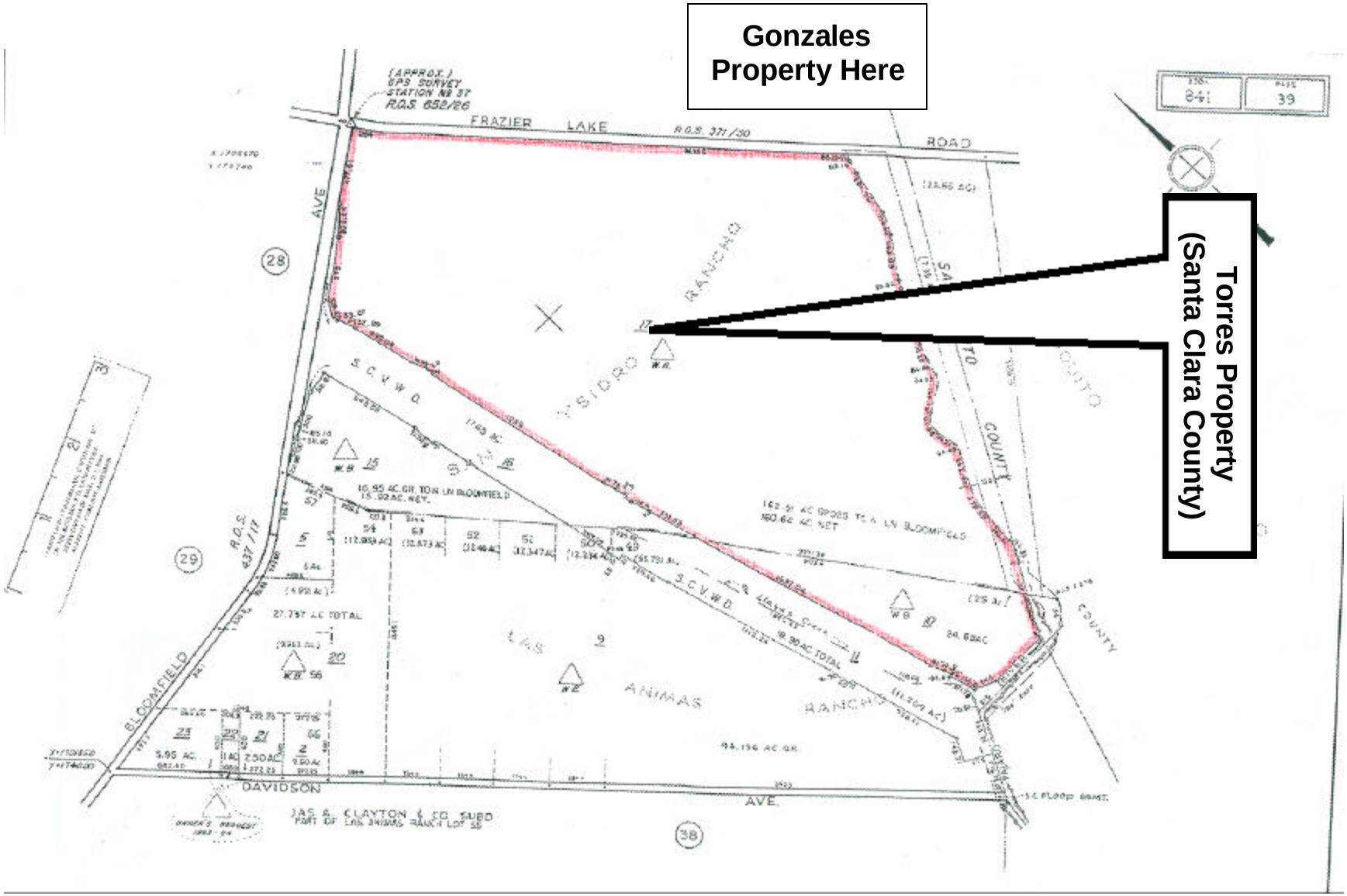

Gonzales Property Here
Torres Property (Santa Clara County)
FRAZIER LAKE ROAD
R.O.S. 371/30
(APPROX.) GPS SURVEY STATION NB 37 R.O.S. 652/26
BLOOMFIELD AVE
R.O.S. 437/11
S.C.V.W.D.
ISIDRO RANCHO
LAS ANIMAS RANCHO
DAVIDSON AVE
JAS. A. CLAYTON & CO. SUBD
PART OF LAS ANIMAS RANCHO LOT 38
COUNTY
841
39
28
29
38

Exhibit II-2
Gonzales Property

Owner: Joe F. Gonzales
23201 McKean Road
San Jose, CA 95141

Acquisition Proposal:

Grant Project		Total
Easement	Fee-Title	
0 ac.	166 ac.	166 ac.

NOTE: The shape and location of this property is important for wildlife corridor enhancement. The property owner is interested in selling fee-title.

Estimated Project Value: $1,800,000
FPCP: $1,300,000
Other: $500,000

Property Location: Either side of the Pajaro River; east of Bloomfield Road.

Property Condition: Mostly flat; some sloping up and easterly to Hwy. 152.

Structures/Improvements: None.

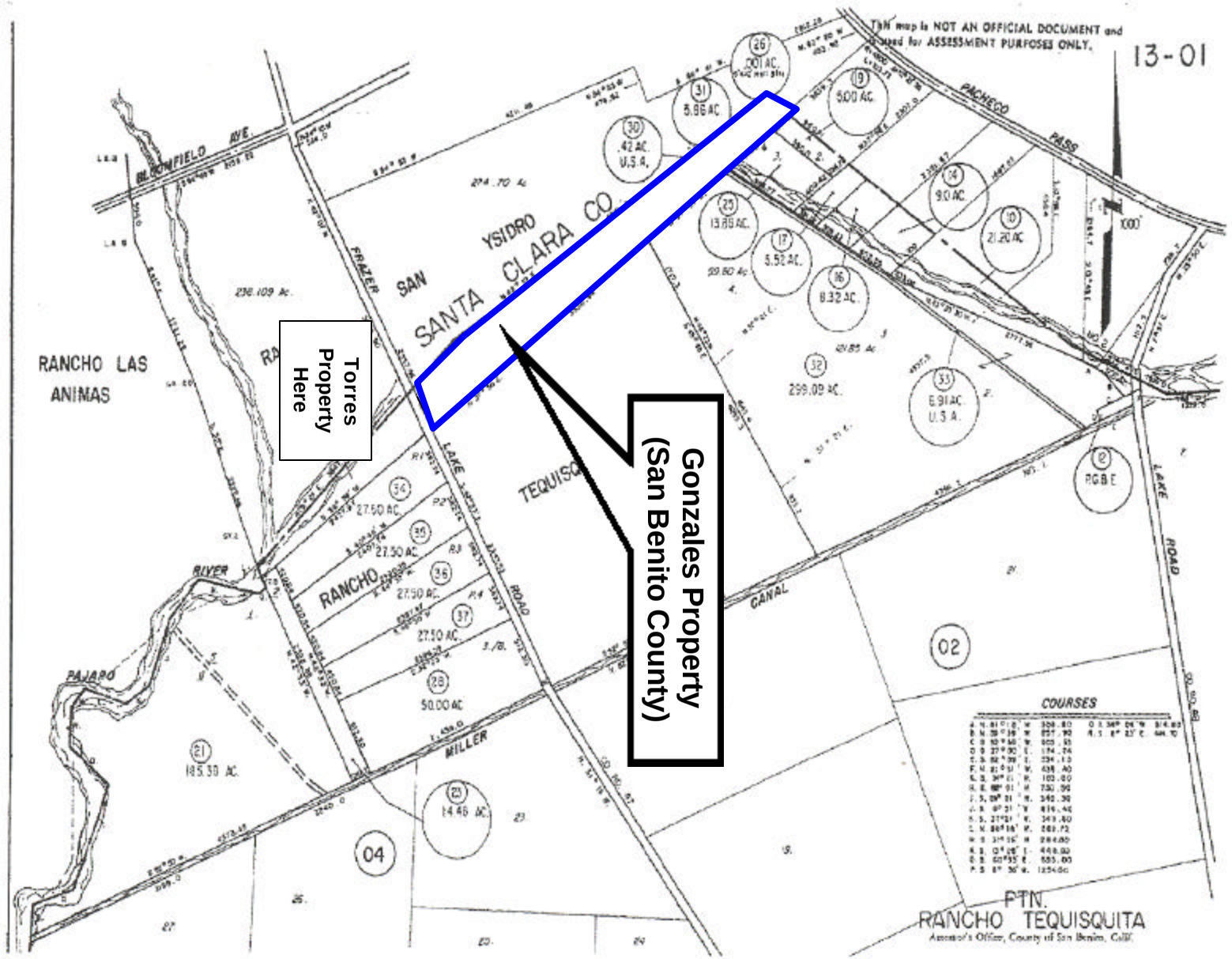
General Plan:
Santa Clara: "A - Exclusive Agriculture"
San Benito: "AP - Agricultural Productive"

FEMA: Approximately 80% within the 100-year flood zone. Approximately 20 acres are elevated and outside of the FEMA designation.

Williamson Act Status: 5 acres outside; remainder is within.

Looking Southerly at the Pájaro within Gonzales

Gonzales & the Pájaro, looking Easterly


This map is NOT AN OFFICIAL DOCUMENT and is used for ASSESSMENT PURPOSES ONLY.
13-01
PACHECO PASS
BLOOMFIELD AVE
SAN YSIDRO
SANTA CLARA CO.
FRAZER
LAKE
ROAD
RANCHO LAS ANIMAS
Torres Property Here
Gonzales Property (San Benito County)
TEQUISQ
RANCHO
RIVER
PAJARO
MILLER
CANAL
PG&E
COURSES
PTN.
RANCHO TEQUISQUITA
Assessor's Office, County of San Benito, Calif.

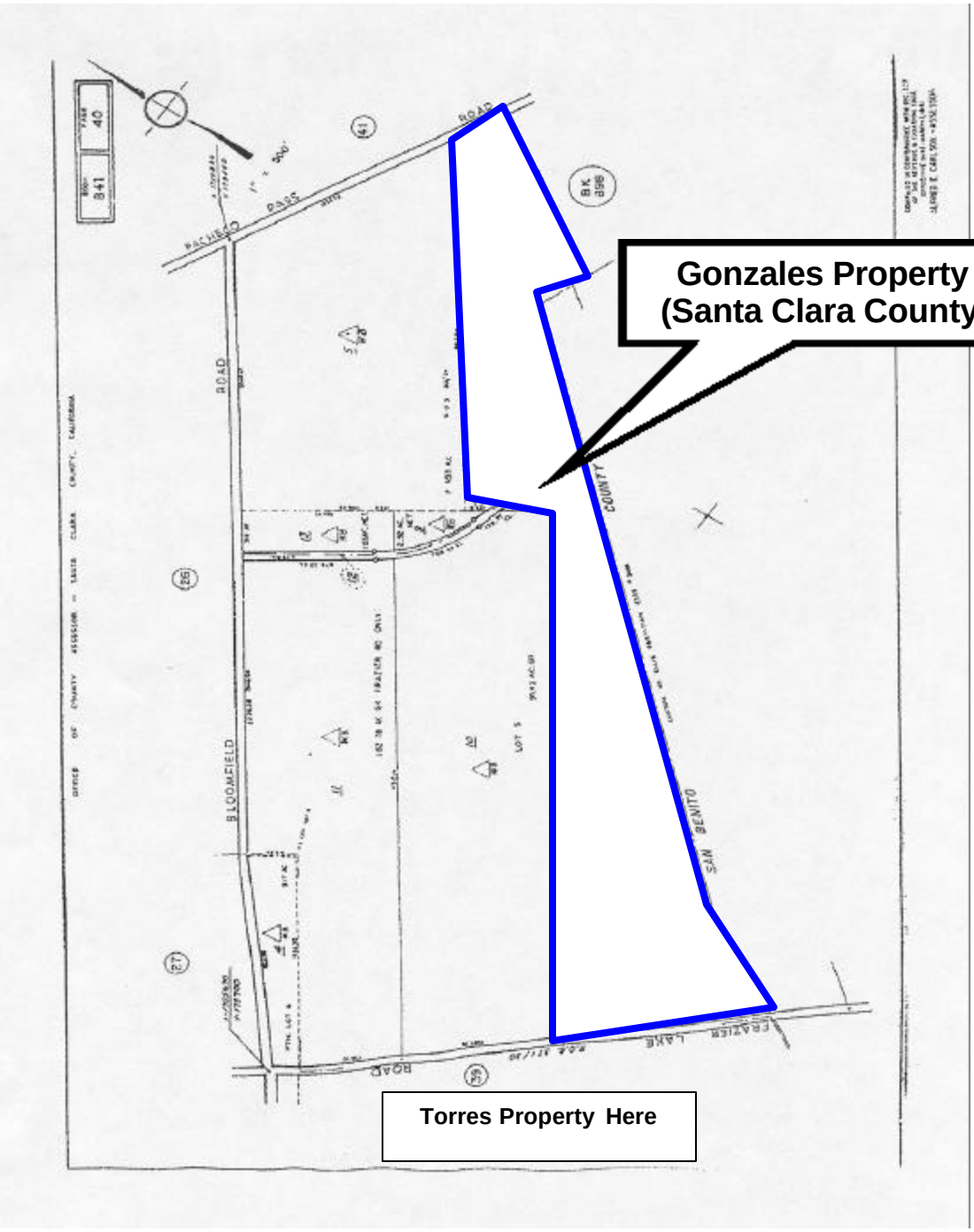

Gonzales Property
(Santa Clara County)
Torres Property Here
BLOOMFIELD
ROAD
COUNTY
SAN BENITO

Exhibit II-3
Paxton Property

Owner: Robert Paxton, etal
C/o 350 5th Street
Hollister, CA 95023

Acquisition Proposal:

Grant Project		Total
Easement	**Fee-Title**	
800 ac.	0 ac.	800 ac.

Estimated Project Value: $2,200,000
FPCP: $1,700,000
Other: $500,000

Property Location: South of Hwy. 152 at San Felipe Lake; easterly of Lake Road.

Property Condition: Flat; drains into San Felipe Lake

Structures/Improvements: None.

General Plan:
San Benito: "AP - Agricultural Productive"

FEMA: All within 100-year flood zone.

Williamson Act Status: Yes.

Paxton Property: San Felipe Lake looking Southerly.

Paxton Property: San Felipe Lake looking Southerly.

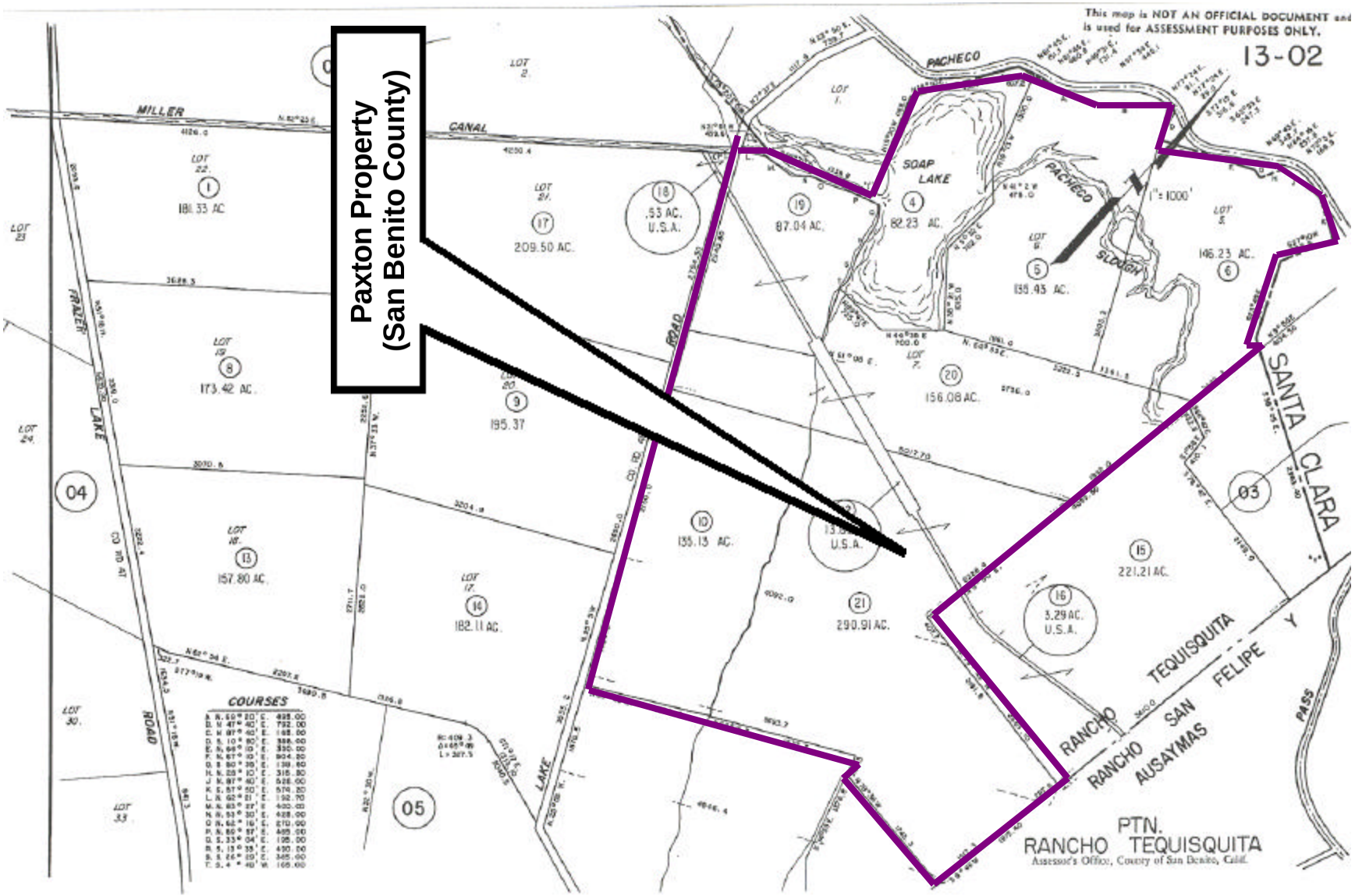

Paxton Property
(San Benito County)
This map is NOT AN OFFICIAL DOCUMENT and is used for ASSESSMENT PURPOSES ONLY.
13-02
MILLER
CANAL
PACHECO
SOAP LAKE
SLOUGH
FRAZER LAKE
ROAD
SANTA CLARA
TEQUISQUITA
RANCHO SAN FELIPE Y RANCHO AUSAYMAS
PASS
COURSES
188.33 AC.
173.42 AC.
157.80 AC.
182.11 AC.
195.37
209.50 AC.
.53 AC. U.S.A.
87.04 AC.
82.23 AC.
138.45 AC.
146.23 AC.
156.08 AC.
135.13 AC.
290.91 AC.
221.21 AC.
3.29 AC. U.S.A.
1" = 1000'
04
05
03
PTN. RANCHO TEQUISQUITA
Assessor's Office, County of San Benito, Calif.

Exhibit II-3

Costs & Cost Sharing

Torres Property

Acquisition & Endowment		$650,000
FPPC Share	$150,000	
Santa Clara County Open Space Authority Share	$500,000	
Costs		$40,000
Appraisal	$7,000	
Legal Fees	$5,000	
TNC Staff Time	$20,000	
TNC Overhead	$8,000	
Proposed FPCP Grant Allocation:		**$190,000**

Gonzales Property

Acquisition & Endowment		$1,800,000
FPPC Share	$1,300,000	
Santa Clara County Open Space Authority Share	$500,000	
Costs		$37,500
Appraisal	$5,000	
TNC Staff Time	$20,000	
Baseline Studies	$5,000	
TNC Overhead	$7,500	
Proposed FPCP Grant Allocation:		**$1,337,500**

Paxton Property

Acquisition & Endowment		$2,200,000
FPPC Share	$1,700,000	
North American Wetlands Conservation Act (Federal)	$500,000	
Costs		$43,750
Appraisal	$5,000	
Legal Fees	$5,000	
TNC Staff Time	$20,000	
Baseline Studies	$5,000	
TNC Overhead	$8,750	
Proposed FPCP Grant Allocation:		**$1,743,000**

TOTAL FPCP Grant Request $3,292,000

Exhibit II-3

Tasks & Timetables

Torres Property

Negotiations (On-going)	
Appraise negotiated rights	**June 2003**
Enter into Purchase Agreement	**August 2003**
Close of Escrow	**September 2003**

Gonzales Property

Negotiations (On-going)	
Appraise negotiated rights	**May 2003**
Enter into Purchase Agreement	**August 2003**
Close of Escrow	**September 2003**

Paxton Property

Negotiations (On-going)	
Appraise negotiated rights	**May 2003**
Enter into Purchase Agreement	**September 2003**
Close of Escrow	**November 2003**

Exhibit II-4

Project Neighbors

Torres Property

Huong Thi Thu Cao
2620 Glen Hancock Court
San Jose, CA 9548

Michael C. Halperin
950 Nash Road
Hollister, CA 95023

Frank Leung, etal
1625 Buena Vista Ave.
Gilroy, CA 95020

Donald Silacci & Carol Silacci
6801 Canada Road
Gilroy, CA 95020

Gonzales Property

Kathy Fehlman, etal
5365 Pacheco Pass Hwy
Gilroy, CA 95020

Ralph Valdez & Henrietta Valdez
4670 Pacheco Pass Hwy
Gilroy, Ca 95020

Mei-Hui Hung Cheng
4141 Donald Drive
Palo Alto, CA 94306

Gubser,Joseph Jr Etal
4155 Sheldon Ave
Gilroy, CA 95020

Donald Silacci & Carol Silacci
6801 Canada Road
Gilroy, CA 95020

Paxton Property

(Highway 152 is to the north)

(The Paxton family owns more land
to the west of the project.)

Janet Malen Trust, etal
7798 Festival Drive
Cupertino, CA 95014

Terrance Konkel
6100 Pacheco Pass Hwy.
Hollister, CA 95023

Assembly Bill No. 807

CHAPTER 963

An act relating to water.

[Approved by Governor October 10, 1999. Filed with Secretary of State October 10, 1999.]

LEGISLATIVE COUNSEL'S DIGEST

AB 807, Keeley. Pajaro River Watershed Flood Prevention Authority.

(1) Existing law authorizes specified entities to provide flood control benefits.

This bill would enact the Pajaro River Watershed Flood Prevention Authority Act, which would grant specified powers to the Pajaro River Watershed Flood Prevention Authority, as created under the act. The bill would designate the boards of supervisors of certain counties and the boards of directors of certain local districts as ''appointing authorities.'' The bill would require the appointing authorities to appoint members to the board of the authority, thereby imposing a state-mandated local program on those specified local boards. The bill would specify boundaries, purposes, and governance of the authority. The bill would authorize the authority to undertake flood prevention and control projects within the boundaries of the Pajaro River Watershed, as prescribed. The bill would authorize the authority to levy and collect assessments and special taxes and to sell bonds in accordance with prescribed procedures. The bill would define terms and prescribe related matters.

The provisions of the bill would become inoperative on July 1, 2000, and would be repealed on January 1, 2001, upon the occurrence of certain specified events.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

The people of the State of California do enact as follows:

SECTION 1. The Legislature hereby finds and declares all of the following:

(a) The Pajaro River Watershed consists of more than 1,400 square miles of land. Much of the watershed is prime agricultural and rangeland, providing a strong base for the region's economy. Much

of the land within the watershed provides housing, employment, recreation, and education opportunities for central coast residents and visitors from throughout the state, nation, and world.

(b) The Pajaro River Watershed includes portions of San Benito, Santa Clara, Santa Cruz, and Monterey Counties, and each of those counties is concerned about the ability of its communities to sustain a high quality of life with regard to agriculture, housing, commerce, education, and environmental protection.

(c) The Pajaro River Watershed includes numerous streams, creeks, rivers, wetlands, and estuaries that form the natural drainage system that directs rainwater to the ocean. The Pajaro River Watershed also includes numerous manmade water collection, drainage, and water disposal projects and systems that also direct rainwater to the ocean.

(d) The Pajaro River Watershed includes millions of square feet of impervious surfaces, such as roads, parking lots, homes, commercial and agricultural structures, schools and playgrounds, all of which reduce the amount of natural groundwater recharge that would otherwise be available to reduce rainwater runoff.

(e) The Pajaro River Watershed includes flood control structures, such as the Pajaro River levee system, that were designed and constructed, in most cases, nearly 50 years ago. Those flood control structures are now proving to be inadequate to protect the area's agricultural lands, commercial, residential, and public sector buildings, and environmental resources.

(f) The storms in the 1980's and 1990's have demonstrated that no jurisdiction within the Pajaro River Watershed has fully mitigated the impact of new construction on the existing drainage and flood control system.

(g) The lack of a local, intergovernmental, cooperative governance structure for the Pajaro River Watershed prevents a systematic, rational, cost-effective program of flood control and watershed management from being identified, funded, and implemented.

(h) It is the intent of the Legislature, through the enactment of this act, to provide the leadership necessary to enable the local governments and local residents of the Pajaro River Watershed to exercise appropriate powers to ensure that the human, economic, and environmental resources of the watershed are preserved, protected, and enhanced in terms of watershed management and flood protection.

SEC. 2. This section shall be known and may be cited as the Pajaro River Watershed Flood Prevention Authority Act. It is intended to supplement the Water Code and reads as follows:

PAJARO RIVER WATERSHED FLOOD PREVENTION AUTHORITY ACT

PART 1. INTRODUCTORY PROVISIONS

CHAPTER 1. SHORT TITLE

101. This act shall be known and may be cited as the Pajaro River Watershed Flood Prevention Authority Act.

CHAPTER 2. GENERAL PROVISIONS

201. (a) The need for coordinated planning, and the implementation of strategies, for flood prevention and control within the Pajaro River Watershed, and for the protection of public and private property from those waters may appropriately lead to the creation of the Pajaro River Watershed Flood Prevention Authority.

(b) The purpose of the Pajaro River Watershed Flood Prevention Authority is to identify, evaluate, fund, and implement flood prevention and control strategies in the Pajaro River Watershed, on an intergovernmental, cooperative basis.

CHAPTER 3. DEFINITIONS

301. ''Appointing authority'' means each of the following:

(a) The Board of Supervisors of the County of Monterey.

(b) The Board of Supervisors of the County of San Benito.

(c) The Board of Supervisors of the County of Santa Clara.

(d) The Board of Supervisors of the County of Santa Cruz.

(e) The Board of Directors of the Zone 7 Flood Control District.

(f) The Board of Directors of the Monterey County Water Resources Agency.

(g) The Board of Directors of the San Benito County Water District.

(h) The Board of Directors of the Santa Clara Valley Water District.

302. ''Authority'' means the Pajaro River Watershed Flood Prevention Authority.

303. ''Board'' means the board of directors of the authority.

304. ''Incidental expenses'' includes all of the following:

(a) The cost of planning and designing projects pursuant to this act, including the costs of environmental evaluations and mitigation for those projects.

(b) The costs associated with the creation and administration of any financing arrangement authorized by this act, including, but not limited to, the costs of creating or modifying assessment or special tax districts, the costs of collecting assessments and special taxes, and the

costs arising from the issuance and administration of any bonds issued under this act.

(c) Any other expenses incidental to the construction, completion, inspection, financing, or refinancing of any authorized project, including relocation costs.

305. ''Local agency'' means any local public entity.

306. ''Pajaro River Watershed'' means the watershed area of the Pajaro River and its tributaries as described in the General Map of the Pajaro River Basin (Plate 1), U.S. Army Corps of Engineers' ''Interim Report for Flood Control, Pajaro River Basin, California and Appendices,'' dated June 1963.

307. ''Project'' means the acquisition, construction, maintenance, or operation of any flood control or prevention facility authorized under this act, including, but not limited to, the acquisition of any right-of-way and payment of incidental expenses. Participation in a project includes making payments or other contributions pursuant to any contract entered into with another governmental agency that requires the other governmental agency to perform work on a project.

PART 2. ORGANIZATION AND POWERS

CHAPTER 1. MEMBERSHIP, BOUNDARIES, AND GENERAL POWERS

401. (a) A board of directors consisting of eight members shall govern the authority. Each appointing authority shall appoint one member to the board, subject to all of the following:

(1) The Board of Supervisors of Monterey County shall be represented by the supervisor from the supervisorial district that is adjacent to the Pajaro River.

(2) The Board of Supervisors of Santa Cruz County shall be represented by the supervisor from the supervisorial district that is adjacent to the Pajaro River.

(3) The Zone 7 Flood Control District shall be represented by a person who resides in the portion of Santa Cruz County that is adjacent to the Pajaro River.

(4) The Monterey County Water Resources Agency shall be represented by a person who resides in the portion of Monterey County that is adjacent to the Pajaro River.

(b) On or before July 1, 2000, the appointing authorities shall appoint the initial members of the board.

(c) At its discretion, an appointing authority may appoint one of its own members as a member of the board.

(d) To the extent feasible, it is the intent of the Legislature that the persons appointed to the board by the appointing authorities be broadly representative of the geographic, ethnic, racial, gender, and cultural diversity of the residents of the authority.

(e) To the extent feasible, it is the intent of the Legislature that the persons appointed to the board by the appointing authorities have knowledge and experience in one or more of the following fields: flood control, habitat conservation and restoration, land use planning and development, public finance economics, and water resources.

402. Except for the directors appointed to the initial board, the directors shall serve for terms of four years. The eight directors initially appointed shall determine, by lot, the expiration dates for their initial terms. The terms of four directors shall expire on January 1, 2003. The terms of the four other directors shall expire on January 1, 2005. Thereafter, each appointing authority shall appoint a person to replace its respective director. The respective appointing authority shall fill a vacancy on the board within 90 days immediately subsequent to its occurrence.

403. Each director may receive compensation in an amount set by the board, not to exceed fifty dollars ($50) per day for each day's attendance at meetings of the board, not to exceed four meetings in any calendar month, together with actual, necessary, and reasonable expenses incurred in the performance of duties required or authorized by the board.

404. (a) At its first meeting and at its first meeting in January each year thereafter, the board shall elect a chair and vice-chair from among its members.

(b) Five members of the board shall constitute a quorum for the transaction of business.

(c) The board shall act only by ordinance, resolution, or motion. Except as specifically provided to the contrary by law, the affirmative vote of five members of the board is required on each action.

405. The board may employ and appoint any agents, officers, employees, attorneys, and consultants as may be required, prescribe their duties, fix their compensation, and prescribe the terms and conditions of their employment.

410. The boundaries of the authority shall be coterminous with the Pajaro River Watershed. On or before December 1, 2001, the board shall file a description of the exterior boundary of the authority pursuant to Chapter 8 (commencing with Section 54900) of Part 2 of Title 5 of the Government Code.

420. (a) The authority may undertake flood prevention and control projects within the Pajaro River Watershed.

(b) The authority's activities, programs, and projects shall address the protection of life, public and private property, agricultural crops, watercourses, watersheds, environmental resources, and public highways within its boundaries from damage from flood and storm waters. In addition, to the maximum extent economically feasible and consistent with its flood protection and flood management requirements and with state and federal agreements, the authority

shall comply with all applicable environmental laws and regulations. Nothing in this act is intended to amend, modify, or alter the jurisdiction or authority of the Department of Fish and Game or the provisions of the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) or any other state or federal laws whose purpose is to protect and preserve the natural environment.

421. In furtherance of its purposes, the authority may apply for and receive state and federal grants, loans, and other funding.

422. The authority may charge and each appointing authority shall pay the authority an amount sufficient to fund administrative costs associated with the operation of the authority, including, but not limited to, the costs of meeting notices, agendas, and other administrative functions.

423. Each local agency that includes territory within the Pajaro River Watershed shall notify the authority before undertaking any flood prevention and control activities, programs, and projects within that watershed.

PART 3. FINANCIAL PROVISIONS

CHAPTER 1. GENERAL FINANCIAL PROVISIONS

501. The authority may, in any year, levy assessments, reassessments, or special taxes and issue bonds to finance projects in accordance with, and pursuant to, the Improvement Act of 1911 (Division 7 (commencing with Section 5000) of the Streets and Highways Code), the Improvement Bond Act of 1915 (Division 10 (commencing with Section 8500) of the Streets and Highways Code), the Municipal Improvement Act of 1913 (Division 12 (commencing with Section 10000) of the Streets and Highways Code), the Benefit Assessment Act of 1982 (Chapter 6.4 (commencing with Section 54703) of Part 1 of Division 2 of Title 5 of the Government Code), the Integrated Financing District Act (Chapter 1.5 (commencing with Section 53175) of Division 2 of Title 5 of the Government Code), the Mello-Roos Community Facilities Act of 1982 (Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the Government Code), and the Marks-Roos Local Bond Pooling Act of 1985 (Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code).

502. Notwithstanding the provisions of any assessment act that the authority is authorized to use, any assessment diagram that any of those acts requires to be prepared prior to final approval of the authority need show only the boundaries of any assessment zones within the authority. The diagram may refer to the county assessor’s maps and records for a detailed description of each lot or parcel.

503. (a) Notwithstanding any other provision of law, the authority may levy and collect assessments and reassessments in the same manner as provided in Article 3 (commencing with Section 51320) of Chapter 2 of Part 7 of Division 15 of the Water Code, for any or all of the following purposes:

(1) For the operation and maintenance of projects of the authority.

(2) For the satisfaction of liabilities arising from projects of the authority.

(3) For the administration costs of the authority.

(4) To accumulate a fund that may be used to advance the cost of projects of the authority. However, the advances shall be repaid, with interest as determined by the board, from assessments, reassessments, special taxes, or fees charged by the authority pursuant to this act.

(b) For purposes of this section, the board shall perform all the functions assigned by Article 3 (commencing with Section 51320) of Chapter 2 of Part 7 of Division 15 of the Water Code to the board of supervisors or the board of trustees.

(c) For purposes of this section, the board may order the creation of a separate assessment roll to pay the allowable expenses of any single project or any group or system of projects.

(d) An assessment, reassessment, or special tax may be imposed throughout the entire area of the authority, or within a portion of the area of the authority.

(e) The imposition of any assessment, reassessment, or special tax shall be in accordance with Articles XIII C and XIII D of the California Constitution.

504. Notwithstanding any other provision of law, Division 4 (commencing with Section 2800) of the Streets and Highways Code does not apply to any assessment levied by the authority.

505. (a) Notwithstanding any other provision of law, all assessments, reassessments, and special taxes levied by the authority may be collected together with, and not separately from, taxes for county purposes. Any county that is located within the authority shall collect, at the request of the authority, all assessments, reassessments, and special taxes levied by the authority and shall deposit those revenues with the trustee appointed pursuant to Section 801 to the credit of the authority.

(b) Each county may require that the amount to be collected be increased to include a proportionate amount of the county's reasonable collection and administrative costs, not to exceed ten dollars ($10) per installment for each lot or parcel, as reimbursement for expenses incurred by the county in collecting the assessment, reassessment, or special tax, if that action is in accordance with Articles XIII C and XIII D of the California Constitution.

506. Notwithstanding any other provision of law, any assessment or reassessment levied pursuant to this act shall be apportioned on a reasonable basis, as determined by the board, which may be based on land use category, proportionate storm water runoff, relative hazard of flooding, or infrastructure protection.

507. Notwithstanding any other provision of law, the board may include within the authority's annual budget a general unappropriated reserve fund not to exceed 25 percent of the total appropriations included in the authority's budget, exclusive of all items for bond interest and redemption, and the general appropriated reserve. The reserve fund may be used for emergencies, replacements, or other lawful purposes of the authority.

CHAPTER 2. SPECIAL CAPITAL ASSESSMENTS

Article 1. Formation of Zones

601. As an alternative or in addition to any other power available to the authority, the authority may, in any year, levy and collect assessments and sell bonds pursuant to this chapter for any project, if that action is in accordance with Articles XIII C and XIII D of the California Constitution. These assessments shall be levied within any zone determined by the board to particularly benefit from a given project. Assessment areas may overlap.

602. Before undertaking any assessment pursuant to this chapter, the authority shall adopt a resolution declaring its intention to do so, briefly describing the proposed project, specifying the exterior boundaries of the area to be assessed, and providing for the issuance of bonds, if any. The resolution shall briefly describe any existing or intended contract with any other governmental agency to share in financing or performance of the work on the project. The resolution shall also direct an officer of the authority to prepare a report pursuant to Section 603.

603. The report shall include all of the following:

(a) A general description of the project.

(b) A name for the proposed assessment zone, which may be in the form ''Pajaro River Watershed Flood Prevention Assessment Zone Number _____.''

(c) An estimate of the cost of the project. If part of the cost is expected to be paid from contributions from other governmental agencies, the report shall include an estimate of the expected total amount of those contributions.

(d) A plan for financing the project, including a brief description of the principal amount and maturities of any proposed bonds, and of any reserve or other special funds required. The plan shall include estimates of the annual revenue needed to pay debt service on bonds

and to pay any other expenses arising in conjunction with the project, including any amounts needed to replenish reserve or other special funds.

(e) A specification of a method for annually apportioning the estimated annual costs of the project among the parcels in the area to be assessed, and a method for determining the rate of assessment. The apportionment shall be in proportion to the benefit received by each parcel, as determined pursuant to Section 506. The specification shall be in sufficient detail to allow any property owner within the district to determine the annual amount that he or she would have to pay.

604. When the report is filed with the authority, the board may at a public meeting, tentatively approve the report and schedule a hearing on it not earlier than 30 days and not later than 90 days after the date on which the report is tentatively approved. The hearing may be continued for a period not to exceed six months. Notice of the hearing shall be published pursuant to Section 6066 of the Government Code in a newspaper of general circulation in the area proposed to be assessed, and the first publication shall occur not later than 20 days before the date of the hearing. The notice to be published shall be entitled ''Notice of Flood Prevention Assessment Hearing'' and shall include all of the following:

(a) The time and place of the hearing on the proposed assessments and bonds.

(b) A general description of the proposed project and the area proposed to be assessed.

(c) A statement that the authority is considering levying annual assessments on lots or parcels of property within the area of the proposed zone to pay for the project.

(d) A statement, if applicable, that the authority is considering issuing bonds to finance the local share of the cost of the proposed project.

(e) The name and telephone number of an employee of the authority from whom a copy of the report can be obtained and who can answer questions concerning the project and the hearing. The authority may charge the reasonable costs of reproduction for copies of the report, and shall make copies available for free public inspection at one or more public places within the area proposed to be assessed.

606. Upon approval in accordance with Articles XIII C and XIII D of the California Constitution, and if the board determines to proceed with the levy and collection of assessments and, if applicable, the sale of bonds, it shall adopt a resolution confirming the report, as modified, and ordering the levy of the assessments and, if applicable, the sale of bonds.

607. (a) Upon adopting a resolution pursuant to Section 606, the authority shall record a notice of assessment whereupon the assessment shall attach as a lien on the property assessed.

(b) From the date of the recordation of the notice of assessment, each special assessment levied under this chapter is a lien on the land on which it is levied. This lien is paramount to all other liens, except prior assessments and taxation. Unless sooner discharged, the lien continues for 10 years from the date of the recordation or, if bonds are issued to represent the assessment, until four years after the date on which the last installment on the bonds or the last principal coupon attached to the bonds is due. All persons have constructive notice of this lien from the date of the recordation.

Article 2. Levy and Collection of Assessments

701. The validity of any assessment levied or bond issued under this chapter shall not be contested in any action or proceeding unless the action or proceeding is commenced within 60 days after the assessment is levied pursuant to Section 606. Any appeal from a final judgment in such an action or proceeding shall be perfected within 30 days after the entry of judgment.

702. An action to determine the validity of any assessment or bonds pursuant to this chapter may be brought pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure. In any such action, all findings of fact or conclusions of the board upon all matters shall be conclusive unless the action was instituted within 30 days after the findings or conclusions were made.

703. After one or more zones have been created by the authority for the purpose of imposing assessments pursuant to this chapter, the board may, by resolution, provide for the levy of the assessments using the method for apportioning the assessment and for setting the rate of the assessment as set out in the report confirmed pursuant to Section 606. The clerk of the authority shall file a list of all parcels subject to assessments levied pursuant to this chapter and the amount of the assessment or assessments levied against each parcel, with the county auditor on or before August 10 of each tax year. The assessments shall be collected in the same manner as ordinary property taxes are collected and shall be subject to the same penalties and the same procedure and sale in case of delinquency as provided for ad valorem taxes.

704. (a) In the event of nonpayment of any assessment levied pursuant to this chapter, and not later than four years after the due date of the last installment of principal, as a cumulative remedy, the amount when due and delinquent may, by order of the board, be collected pursuant to an action brought in the superior court to foreclose the lien.

(b) The lien of an assessment levied pursuant to this chapter on tax-deeded land may be foreclosed in the same manner as the foreclosure of other real property. The action shall be brought in the name of the authority.

(c) The costs of the action shall be fixed and allowed by the court and shall include reasonable attorney's fees, interest, penalties, and other charges and advances as provided by this chapter. The costs shall be included in the judgment. The amount of penalties, costs, and interest due shall be calculated up to the date of judgment.

(d) The court may adjudge and decree a lien against the lot or parcel of land covered by the assessment for the amount of the judgment and may order the premises to be sold on execution as in the sale of other real estate by the process of the court, with the same rights of redemption.

(e) The board may, by resolution adopted prior to the issuance of bonds, covenant for the benefit of bondholders to commence and diligently prosecute to completion any foreclosure action regarding delinquent installments of any assessments or reassessments that secure the bonds that are to be issued, or to employ a trustee to do so on behalf of the bondholders.

Article 3. Bonds

801. The board may sell bonds or notes of the authority to finance projects as set out in the report confirmed pursuant to Section 606. The board shall authorize the issuance of bonds by adoption of a resolution which provides for all of the following:

(a) The denominations, form, and registration provisions of the bonds.

(b) The manner of execution of the sale of the bonds.

(c) The par amount of the bonds to be sold.

(d) The appointment of one or more banks or trust companies within the state having the necessary trust powers as trustee, fiscal agent, paying agent, or bond registrar.

(e) The execution of a document or indenture securing the bonds.

(f) The pledge or assignment of the designated assessment revenues to the repayment of the bonds.

(g) The interest rate to be borne by the bonds.

(h) Any other terms and conditions determined to be necessary by the board.

802. The bonds shall be signed by the chairperson of the board, and countersigned by the trustee. The bonds may be authenticated by a paying agent selected by the board, and the signatures of the chairperson and trustee may be facsimile signatures. If any officer whose signature appears on the bonds ceases to be an officer at any time, the signature shall nevertheless be valid and sufficient for all purposes.

803. The board may sell bonds pursuant to this chapter at public or private sale at not less than 95 percent of par value. The proceeds of the sale of the bonds shall be placed on deposit with the trustee to the credit of the authority and the issuing assessment district, and the proper records of the transaction shall be placed upon the books of the authority. The bond proceeds shall be used exclusively to finance or refinance projects and to pay incidental expenses pursuant to the report confirmed pursuant to Section 606.

804. The board may include in the aggregate principal amount of the bonds to be issued an amount for a reserve fund for the payment of the bonds. The amount to be included for the reserve fund shall not exceed the amount permitted by law. The reserve fund and all interest earned on it shall either be used for the payment of debt service on the bonds, if there is a deficiency, and then only to the extent of the deficiency, or the funds may be transferred to the redemption fund for the bonds for advance or final retirement of the bonds. Notwithstanding any provision of this section, the amount and disposition of the reserve fund may conform to the provisions of the Internal Revenue Code or the regulations of the United States Department of the Treasury.

805. Any bonds or notes issued pursuant to this chapter may be refunded when and to the extent necessary as determined by the board.

PART 4. TERMINATION

Article 1. Repeal

901. If all of the following events occur, as described below, this act shall become inoperative on July 1, 2000, and, as of January 1, 2001, is repealed, unless a later enacted statute that is enacted before January 1, 2001, deletes or extends the dates on which it becomes inoperative and is repealed:

(a) The entities described in Section 301 attend regularly scheduled meetings for the purposes of subdivisions (b) and (c).

(b) Both of the following occur on or before December 31, 1999:

(1) All entities described in Section 301 enter into a memorandum of understanding that provides for the identification, evaluation, funding, and implementation of flood prevention and control strategies in the Pajaro River Watershed on an intergovernmental, cooperative basis.

(2) The memorandum described in paragraph (1) is submitted to the Chief Clerk of the Assembly and the Secretary of the Senate.

(c) On or before June 30, 2000, both of the following occur:

(1) A joint powers agency is formed as authorized under Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the Government Code, pursuant to a joint powers agreement entered

into by all entities described in Section 301, for the purpose of accomplishing the objectives listed in paragraph (1) of subdivision (a).

(2) Evidence of the formation of a joint powers agency pursuant to paragraph (1) is submitted to the Chief Clerk of the Assembly and the Secretary of the Senate.

SEC. 3. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act, within the meaning of Section 17556 of the Government Code.

O

Executive Summary

Executive Summary

The purpose of Phase 1 of the Pajaro River Watershed Study was to model both the hydrologic and sediment regimes of the Pajaro River watershed, providing a foundation and stepping-stone for the development of flood protection solutions for the Pajaro Valley.

Several lessons can be gleaned from Phase 1 modeling results. The flooding effects of urbanization, agriculture, flood protection projects, in-stream channel conditions or vegetation, and in-stream sediment factors are summarized below:

Hydrology

- Since 1947, the addition of three reservoirs significantly reduced the probability of flooding in the lower Pajaro River.
- Neither current agriculture conditions nor potential agricultural changes have a significant effect on design discharge or flood impacts.
- Urbanization increases the runoff from frequent events (2-year to 25-year) but has little impact on runoff from large storms (50-year to 200-year).
- Soap Lake provides significant flow attenuation and flood storage benefits for the upper Pajaro River and is key to flood protection.

Sediment

- The small, predicted changes in peak design discharges should not significantly alter sedimentation conditions within the Pajaro River channel.
- Significant growth of shrubby vegetation could increase hydraulic channel roughness and could be expected to cause an increase in sediment deposition.
- Changes in sediment load may have localized impacts at the confluence of the San Benito and Pajaro Rivers but do not affect the system as a whole.
- Soap Lake limits sediment discharge from the upper to the lower Pajaro River.

As currently calibrated, both models meet the goals of Phase 1. The models can be further refined in future phases if required. Also, Soap Lake operation and flood protection capabilities could be examined in greater detail.

The Pajaro River is the largest coastal stream between the San Francisco Bay and the Salinas Watershed with a watershed of over 1,300 square miles.

The watershed covers portions of Santa Cruz, Santa Clara, San Benito, and Monterey Counties (Figure ES-1). The large size of the watershed contributes to the number of diverse environments, physical features, and land uses within its boundaries. Development within the watershed, both urban and rural, is clustered around the major cities of Watsonville, Gilroy, Morgan Hill, Hollister, and San Juan Bautista. Agriculture and grazing are the dominant land uses in these areas but represent a small portion of the total watershed land use. The majority of the watershed land cover is grassland, shrubland, and forest.

Four Watershed Conditions

Land use is one of the factors that affects flood frequency and magnitude. One of the major goals of Phase 1 of the study was to understand the potential flooding affects of land use changes over time. Four different land use conditions were chosen to span the extent of the reasonable land use changes and associated flooding affects. Modeling the watershed in different conditions gives insight into potential future flooding problems and allows the impacts of development trends to be identified.

Each of the four conditions was chosen based on both individual characteristics and patterns that can be established between them. First, the model was developed and calibrated using existing conditions. Then, the four conditions were selected and modeled. The following four conditions allow the model to explore watershed response to changes that might affect downstream flooding.

- **Back in Time to 1947:** The historical perspective provides a glimpse of how flooding has changed due to known shifts in land use. The year 1947 is significant because it was just before the Corps' levees were built and had conditions similar to when the 1955 flood occurred. In addition, three of the four existing reservoirs and some additional levees were not yet in place in 1947.

- **General Plan Buildout:** This scenario allows the model to predict the watershed flood potential using the urban and agricultural land uses for each city and county designated by the individual planning departments. This is the best estimate available for future conditions within the watershed. While the horizons of the individual general plans vary greatly, this scenario is intended to approximately represent the years between 2015 and 2020.

- **Ultimate Buildout in 2050:** This scenario represents a worst-case scenario, in terms of flooding, due to urbanization. The model predicts how the watershed would respond to significantly increased growth in the cities beyond what the general plans currently allow. The year 2050 is the approximate end of the economic life of a project started at the time of this report.

- **Changes in Agriculture:** Agriculture can play a large role in the amount of runoff and therefore flooding in an area. This scenario does not represent any particular time period but parallels the Ultimate Buildout scenario in that it represents a worst-case agricultural hydrologic conditions.

Hydrology Model Results of Four Watershed Conditions

- **Back in Time to 1947:** Peak and average design discharges were higher in 1947 than they are today. Reservoirs existing today in the upper reaches of the watershed provide some incidental flood protection in the lower Pajaro River area.

- **General Plan Buildout and Ultimate Buildout in 2050:** These two watershed scenarios have been grouped together due to similarities in both their goals and results. Both conditions were chosen to see the effects of urbanization on runoff but at different times in the future; consequently, results show similar trends.

  The model results indicate that urbanization affects small storm discharge more than it affects large storm discharge. For the General Plan Buildout scenario, all changes in storms larger than the 50-year event are less than 3% for both peak and 3-day average discharges. For the Ultimate Buildout

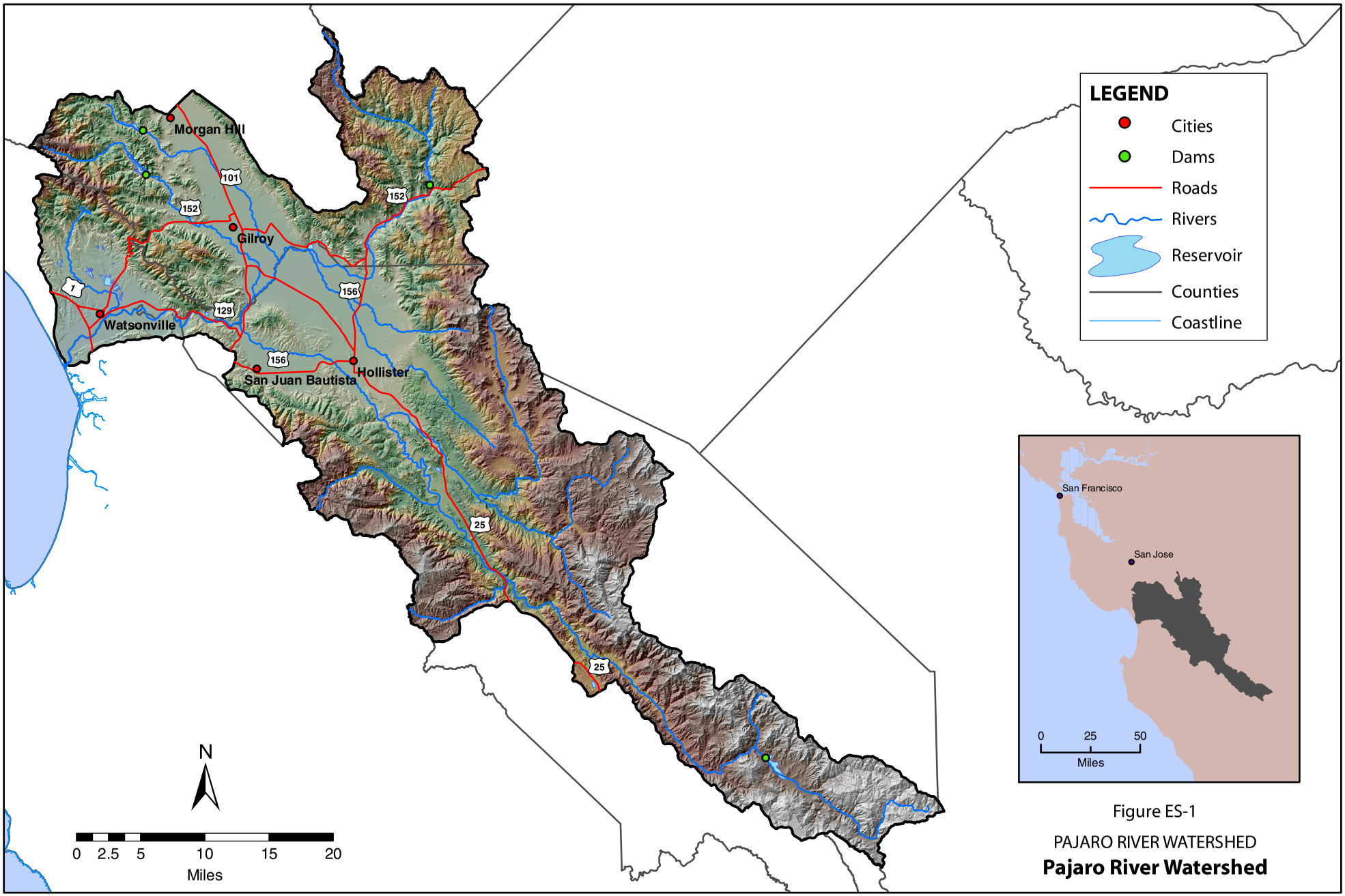


Figure ES-1

PAJARO RIVER WATERSHED

Pajaro River Watershed

scenario, the largest change is approximately a 5% increase in maximum annual peak discharge and 3-day average flow. The lack of significant changes is probably due to the small amount of urbanization upstream of the San Benito River modeling point.

Urbanization has a significant effect on the peak discharge of the smaller storms (2-year to 25-year). The impervious surfaces added by the development of urban areas generate more runoff and discharge in smaller events. The discharge frequency of a given storm will decrease with the additional urbanization. In other words, what was previously considered a 25-year storm would be expected to occur every 23 years.

- **Changes in Agriculture:** Model results indicate that even if all current agricultural uses in the watershed were converted to row crops under poor hydrologic conditions, the changes in peak discharge and 3-day discharge for the 50-year to 200-year return periods are well under a 2.5% increase from existing conditions. However, the 2-year to 25-year return periods show a much larger impact, increasing flows up to almost 9.5% in some locations. The major impact comes from the Lower Soap Lake watershed that includes agricultural uses in the South Santa Clara Valley, the Hollister Valley, and the Bolsa. Changes in the San Benito River watershed were very small, as only a small percentage of that watershed is currently used for agriculture.

Sediment Model Conditions

Additional scenarios were developed for the sediment model to expand the understanding of the sediment characteristics of the Pajaro River. The sediment model used the hydrology model results as one of several variables. Other variables included streamflow data, hydraulic roughness of the channel, and sediment data. Comparison between the current peak discharge and the Back in Time to 1947 peak discharge shows the effects of varying streamflow. Increasing the channel hydraulic roughness simulates additional vegetation and impacts the velocity and water depth in the channel, which increases sediment deposition. The other conditions are developed based on an increase or decrease in actual sediment load which could result from changes in upstream land use, instream gravel mining, incision and erosion of upstream channels, and reservoir construction.

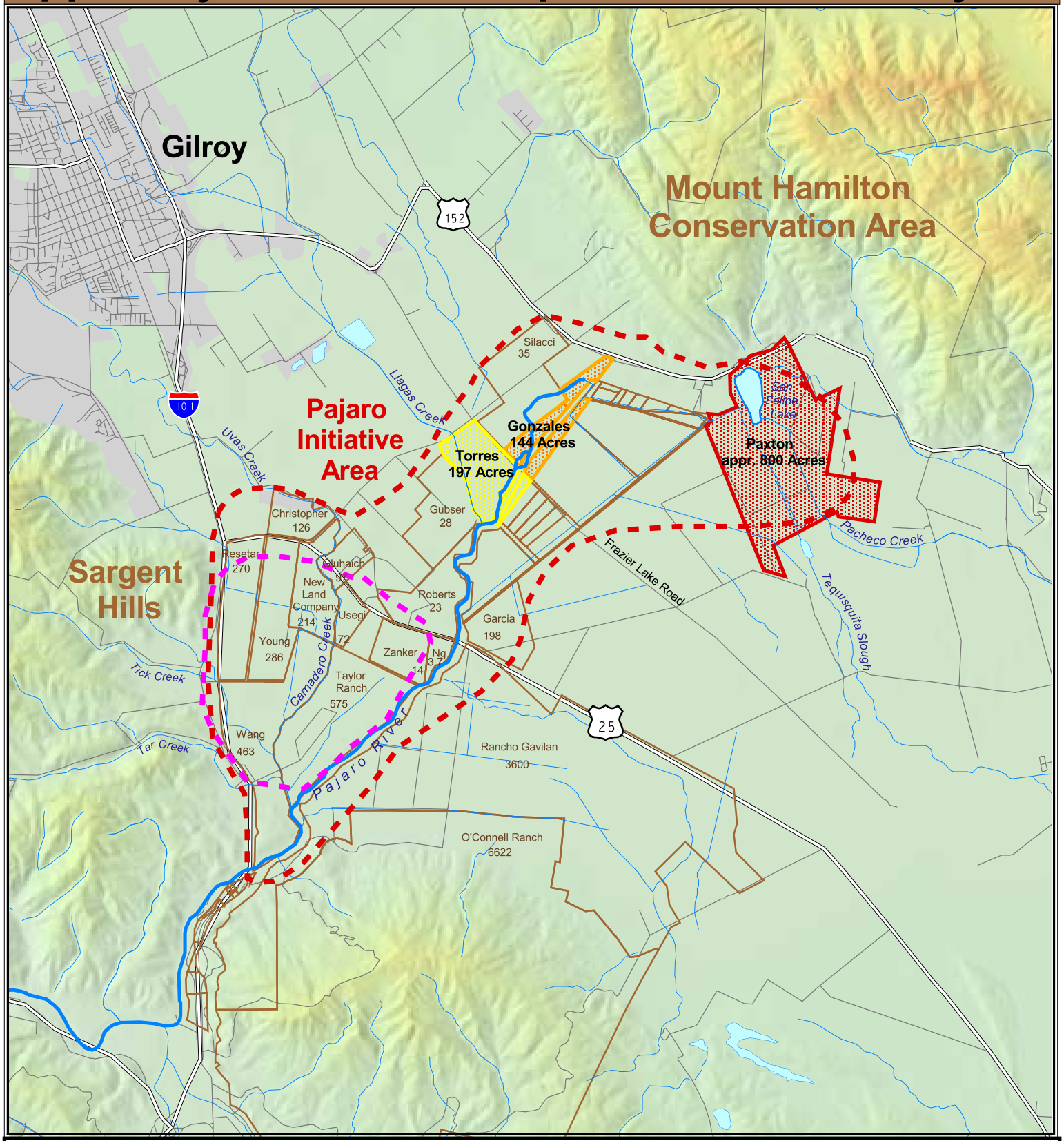
Sediment Model Results

Neither the increased peak design discharge and flow nor the changes in sediment load affected the sedimentation or sediment transport in the river dramatically. Increasing the hydraulic roughness does increase sedimentation at the confluence of the Pajaro River and San Benito River. Over several large storms this sediment could move downstream into the leveed portion of the river.

Next Step

The products of Phase 1 will help guide and direct the next and future phases of the Pajaro River Watershed Study. The Pajaro River Watershed Flood Prevention Authority is beginning Phase 2 – Identification and Preliminary Evaluation of Alternatives in July 2002. Alternatives likely to be considered in Phase 2 are combinations of detention basins, various forms of levees, raised dams, and additional reservoirs. Evaluation criteria will be based on the interests of and inputs from the Authority and watershed stakeholders.

Upper Pajaro River Floodplain Protection Project



Tier 1 Parcels
- Gonzales
- Paxton
- Torres

Urban

Lakes

Streams

Land Trust for Santa Clara County Negotiations Area

Initiative Area

N

The Nature Conservancy
SAVING THE LAST GREAT PLACES ON EARTH

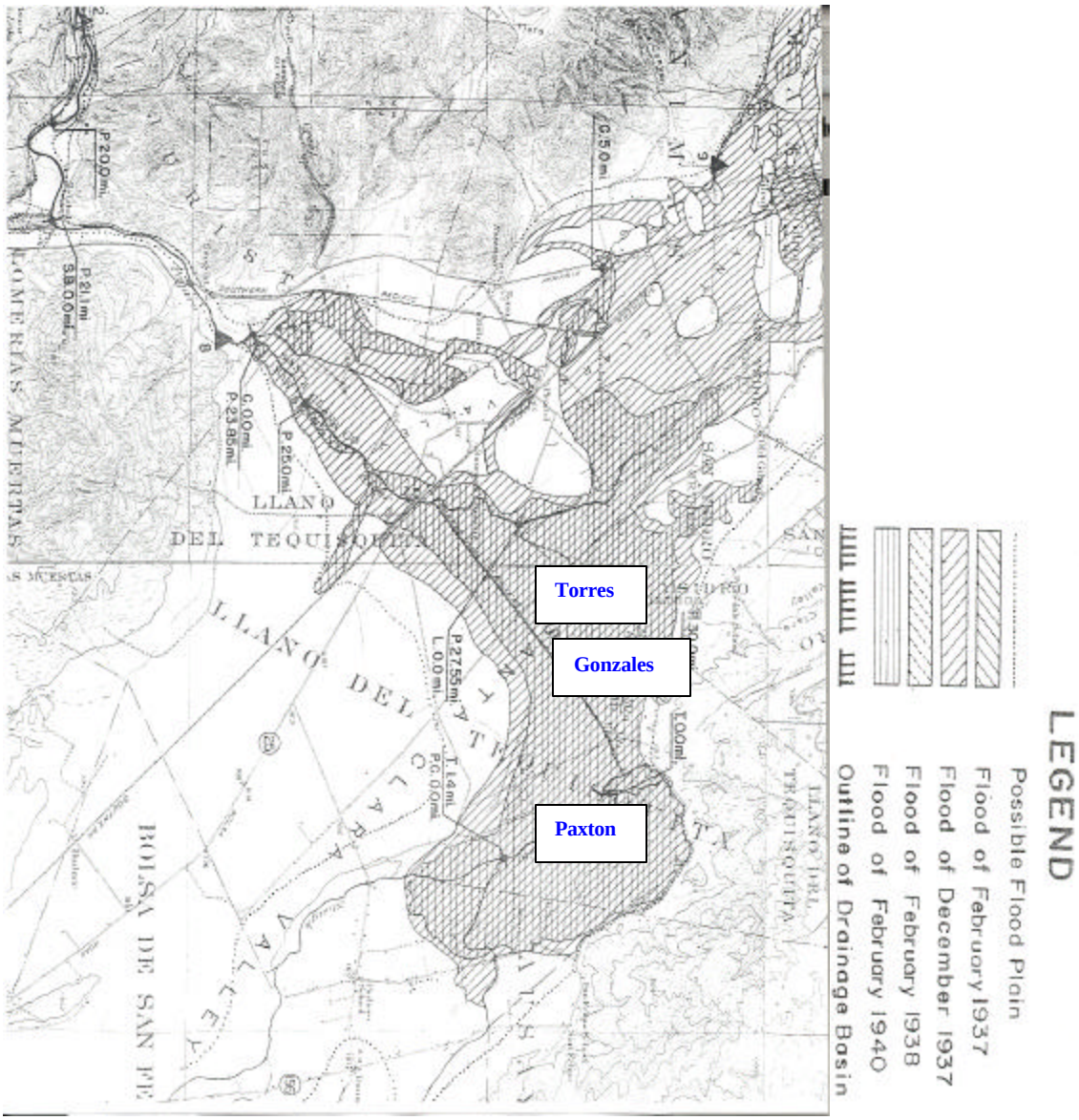
Created by
Ca. Planning Department
12/02/03

Avian Species	Level of Breeding Confidence
American Avocet	Confirmed
American Bittern	Confirmed
American Coot	Confirmed
American Crow	Confirmed
American Goldfinch	Confirmed
American Kestrel	Confirmed
American Robin	Confirmed
Ash-throated Flycatcher	Confirmed
Barn Swallow	Confirmed
Belted Kingfisher	Confirmed
Bewick's Wren	Confirmed
Black Phoebe	Confirmed
Black-crowned Night Heron	Confirmed
Black-headed Grosbeak	Confirmed
Black-necked Stilt	Confirmed
Blue Grosbeak	Confirmed
Brewer's Blackbird	Confirmed
Brown-headed Cowbird	Confirmed
Bullock's Oriole	Confirmed
Burrowing Owl	Confirmed
Bushtit	Confirmed
California Towhee	Confirmed
Canada Goose	Confirmed
Cassin's Kingbird	Confirmed
Cattle Egret	Confirmed
Chestnut-backed Chickadee	Confirmed
Cinnamon Teal	Confirmed
Cliff Swallow	Confirmed
Common Moorhen	Confirmed
Common Yellowthroat	Confirmed
Double-crested Cormorant	Confirmed
Downy Woodpecker	Confirmed
European Starling	Confirmed
Gadwall	Confirmed
Grasshopper Sparrow	Confirmed
Great Blue Heron	Confirmed
Green Heron	Confirmed
Horned Lark	Confirmed
House Finch	Confirmed
House Sparrow	Confirmed
Killdeer	Confirmed
Lesser Goldfinch	Confirmed
Loggerhead Shrike	Confirmed
Mallard	Confirmed
Marsh Wren	Confirmed
Mourning Dove	Confirmed
Northern Harrier	Confirmed
Northern Mockingbird	Confirmed
Northern Shoveler	Confirmed
Nuttall's Woodpecker	Confirmed
Oak Titmouse	Confirmed
Pacific-slope Flycatcher	Confirmed
Phainopepla	Confirmed
Pied-billed Grebe	Confirmed
Red-shouldered Hawk	Confirmed
Red-tailed Hawk	Confirmed

Avian Species	Level of Breeding Confidence
Red-winged Blackbird	Confirmed
Ruddy Duck	Confirmed
Rufous-sided Towhee	Confirmed
Song Sparrow	Confirmed
Spotted Sandpiper	Confirmed
Tree Swallow	Confirmed
Tricolored Blackbird	Confirmed
Western Bluebird	Confirmed
Western Kingbird	Confirmed
Western Meadowlark	Confirmed
Western Wood-Pewee	Confirmed
White-tailed Kite	Confirmed
Wrentit	Confirmed
Yellow Warbler	Confirmed
Yellow-billed Magpie	Confirmed
Yellow-breasted Chat	Confirmed
Band-tailed Pigeon	Observed
Caspian Tern	Observed
Great Egret	Observed
Northern Rough-winged Swallow	Observed
Prairie Falcon	Observed
Rock Dove	Observed
Snowy Egret	Observed
Turkey Vulture	Observed
Anna's Hummingbird	Probable
Barn Owl	Probable
Blue-winged Teal	Probable
California Quail	Probable
Clark's Grebe	Probable
Golden Eagle	Probable
Hutton's Vireo	Probable
Ring-necked Pheasant	Probable
Swainson's Thrush	Probable
Warbling Vireo	Probable
Western Tanager	Probable
Wilson's Warbler	Probable
Allen's Hummingbird	Possible
California Thrasher	Possible
Dark-eyed Junco	Possible
Great Horned Owl	Possible
Greater Roadrunner	Possible
House Wren	Possible
Lawrence's Goldfinch	Possible
Long-eared Owl	Possible
Orange-crowned Warbler	Possible
Violet-green Swallow	Possible
Western Scrub-Jay	Possible
White-breasted Nuthatch	Possible
Wood Duck	Possible

Exhibit V-4

Army Corps
Fllod Control SurveyReport
October 1942



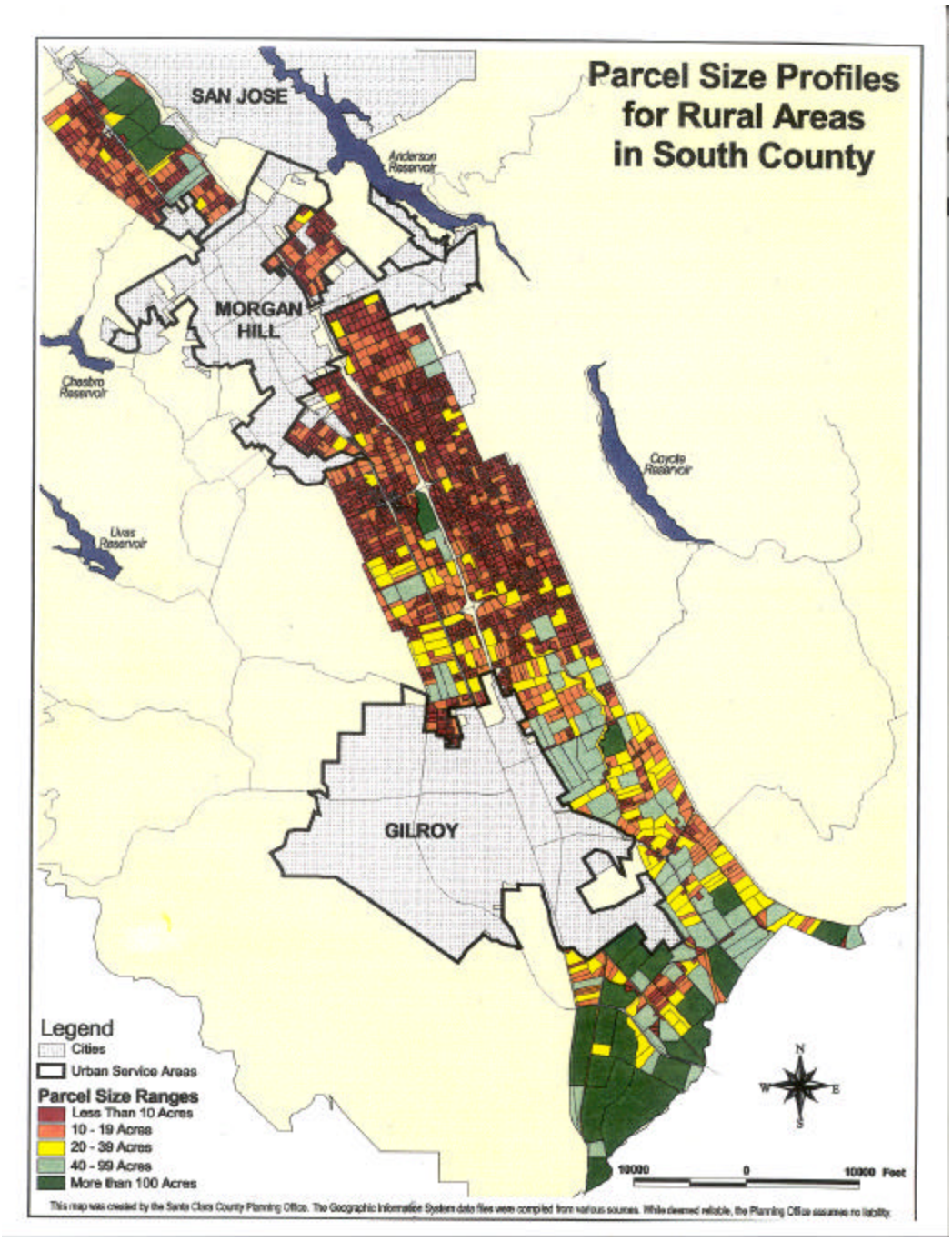


Exhibit V-5
Santa Clara County Parcel Map

Upper Pajaro River Floodplain Protection Project

Pajaro Initiative Area

N

0 0.6 1.2 1.8 Miles

The Nature Conservancy
SAVING THE LAST GREAT PLACES ON EARTH

Created by
Ca. Planning Department
Feb/12/03

Santa Clara County Trails Master Plan Update

County of Santa Clara Parks and Recreation Department

Countywide Trails Master Plan

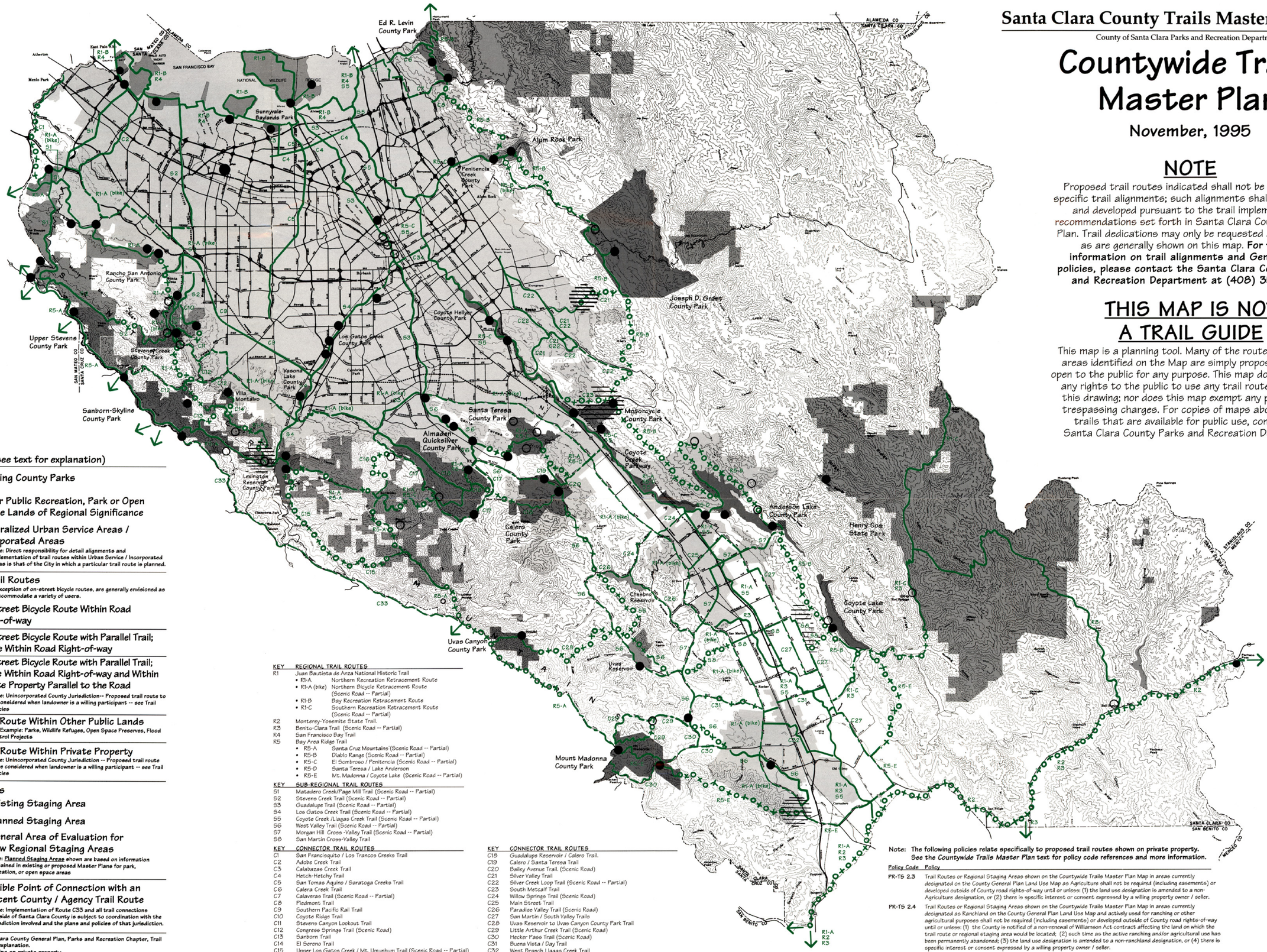
November, 1995

NOTE

Proposed trail routes indicated shall not be considered specific trail alignments; such alignments shall be obtained and developed pursuant to the trail implementation recommendations set forth in Santa Clara County General Plan. Trail dedications may only be requested along routes as are generally shown on this map. **For further information on trail alignments and General Plan policies, please contact the Santa Clara County Parks and Recreation Department at (408) 358-3147.**

THIS MAP IS NOT A TRAIL GUIDE

This map is a planning tool. Many of the routes or staging areas identified on the Map are simply proposed and not open to the public for any purpose. This map does not convey any rights to the public to use any trail routes shown on this drawing; nor does this map exempt any person from trespassing charges. For copies of maps about existing trails that are available for public use, contact the Santa Clara County Parks and Recreation Department.



Legend (see text for explanation)

- Existing County Parks
- Other Public Recreation, Park or Open Space Lands of Regional Significance
- Generalized Urban Service Areas / Incorporated Areas

  Note: Direct responsibility for detail alignments and implementation of trail routes within Urban Service / Incorporated Areas is that of the City in which a particular trail route is planned.

Proposed Trail Routes

Trail routes, with the exception of on-street bicycle routes, are generally envisioned as shared-use trails to accommodate a variety of users.

- On-street Bicycle Route Within Road Right-of-way
- On-street Bicycle Route with Parallel Trail; Route Within Road Right-of-way
- On-street Bicycle Route with Parallel Trail; Route Within Road Right-of-way and Within Private Property Parallel to the Road

  Note: Unincorporated County Jurisdiction-- Proposed trail route to be considered when landowner is a willing participant -- see Trail Policies
- Trail Route Within Other Public Lands

  For Example: Parks, Wildlife Refuges, Open Space Preserves, Flood Control Projects
- Trail Route Within Private Property

  Note: Unincorporated County Jurisdiction -- Proposed trail route to be considered when landowner is a willing participant -- see Trail Policies

Staging Areas

- Existing Staging Area
- Planned Staging Area
- General Area of Evaluation for New Regional Staging Areas

  Note: Planned Staging Areas shown are based on information contained in existing or proposed Master Plans for park, recreation, or open space areas

- Possible Point of Connection with an Adjacent County / Agency Trail Route

  Note: Implementation of Route C33 and all trail connections outside of Santa Clara County is subject to coordination with the jurisdiction involved and the plans and policies of that jurisdiction.

Notes:
- See Santa Clara County General Plan, Parks and Recreation Chapter, Trail Section for explanation.
- No trespassing on private property.

Scale 0 5000' 15000' North

KEY	REGIONAL TRAIL ROUTES
R1	Juan Bautista de Anza National Historic Trail
• R1-A	Northern Recreation Retracement Route
• R1-A (bike)	Northern Bicycle Retracement Route (Scenic Road -- Partial)
• R1-B	Bay Recreation Retracement Route
• R1-C	Southern Recreation Retracement Route (Scenic Road -- Partial)
R2	Monterey-Yosemite State Trail.
R3	Benito-Clara Trail (Scenic Road -- Partial)
R4	San Francisco Bay Trail
R5	Bay Area Ridge Trail
• R5-A	Santa Cruz Mountains (Scenic Road -- Partial)
• R5-B	Diablo Range (Scenic Road -- Partial)
• R5-C	El Sombroso / Penitencia (Scenic Road -- Partial)
• R5-D	Santa Teresa / Lake Anderson
• R5-E	Mt. Madonna / Coyote Lake (Scenic Road -- Partial)

KEY	SUB-REGIONAL TRAIL ROUTES
S1	Matadero Creek/Page Mill Trail (Scenic Road -- Partial)
S2	Stevens Creek Trail (Scenic Road -- Partial)
S3	Guadalupe Trail (Scenic Road -- Partial)
S4	Los Gatos Creek Trail (Scenic Road -- Partial)
S5	Coyote Creek /Llagas Creek Trail (Scenic Road -- Partial)
S6	West Valley Trail (Scenic Road -- Partial)
S7	Morgan Hill Cross -Valley Trail (Scenic Road -- Partial)
S8	San Martin Cross-Valley Trail

KEY	CONNECTOR TRAIL ROUTES
C1	San Francisquito / Los Trancos Creeks Trail
C2	Adobe Creek Trail
C3	Calabazas Creek Trail
C4	Hetch-Hetchy Trail
C5	San Tomas Aquino / Saratoga Creeks Trail
C6	Calera Creek Trail
C7	Calaveras Trail (Scenic Road -- Partial)
C8	Piedmont Trail
C9	Southern Pacific Rail Trail
C10	Coyote Ridge Trail
C11	Stevens Canyon Lookout Trail
C12	Congress Springs Trail (Scenic Road)
C13	Sanborn Trail
C14	El Sereno Trail
C15	Upper Los Gatos Creek / Mt. Umunhum Trail (Scenic Road -- Partial)
C16	Upper Guadalupe Trail
C17	Almaden-Hicks Road Loop (Scenic Road)

KEY	CONNECTOR TRAIL ROUTES
C18	Guadalupe Reservoir / Calero Trail.
C19	Calero / Santa Teresa Trail
C20	Bailey Avenue Trail. (Scenic Road)
C21	Silver Valley Trail
C22	Silver Creek Loop Trail (Scenic Road -- Partial)
C23	South Metcalf Trail
C24	Willow Springs Trail (Scenic Road)
C25	Main Street Trail
C26	Paradise Valley Trail (Scenic Road)
C27	San Martin / South Valley Trails
C28	Uvas Reservoir to Uvas Canyon County Park Trail
C29	Little Arthur Creek Trail (Scenic Road)
C30	Hecker Pass Trail (Scenic Road)
C31	Buena Vista / Day Trail
C32	West Branch Llagas Creek Trail
C33	Skyline-Summit Trail (Scenic Road)
C34	Guadalupe River / Coyote Creek Trail

Note: Use of the term 'Scenic Road' means that the trail route parallels a road designated as 'Scenic' in 1995 Santa Clara County General Plan; 'Partial' indicates that any part of the trail route parallels a Scenic Road.

Note: **The following policies relate specifically to proposed trail routes shown on private property. See the *Countywide Trails Master Plan* text for policy code references and more information.**

Policy Code	Policy
PR-TS 2.3	Trail Routes or Regional Staging Areas shown on the Countywide Trails Master Plan Map in areas currently designated on the County General Plan Land Use Map as Agriculture shall not be required (including easements) or developed outside of County road rights-of-way until or unless: (1) the land use designation is amended to a non-Agriculture designation, or (2) there is specific interest or consent expressed by a willing property owner / seller.
PR-TS 2.4	Trail Routes or Regional Staging Areas shown on the Countywide Trails Master Plan Map in areas currently designated as Rancland on the County General Plan Land Use Map and actively used for ranching or other agricultural purposes shall not be required (including easements) or developed outside of County road rights-of-way until or unless: (1) the County is notified of a non-renewal of Williamson Act contract affecting the land on which the trail route or regional staging area would be located; (2) such time as the active ranching and/or agricultural use has been permanently abandoned; (3) the land use designation is amended to a non-rancland designation, or (4) there is specific interest or consent expressed by a willing property owner / seller.
PR-TS 2.5	Trail Routes or Regional Staging Areas shown on the Countywide Trails Master Plan Map in areas currently designated as Hillside on the County General Plan Land Use Map and actively used for ranching or other agricultural purposes shall not be required (including easements) or developed outside of County road rights-of-way until or unless: (1) the County is notified of a non-renewal of Williamson Act contract affecting the land on which the trail route or regional staging area would be located; (2) such time as active ranching and/or agricultural use has been permanently abandoned; or (3) there is specific interest or consent expressed by a willing property owner / seller.

Agriculture

Description and Intent

R-LU 8
Santa Clara County is enriched by a special combination of the very finest soils, a very favorable, dependable growing climate, and generally adequate water supplies. Lands in agricultural uses contribute to the economy and quality of life enjoyed by county residents. This combination of factors makes it highly desirable that certain lands be preserved for their intrinsic value as agricultural land and for productive agricultural land uses.

R-LU 9
For those areas of greatest long term viability for agriculture and highest quality soils, permanent preservation as agricultural land is the ultimate goal. Other areas are designated 'Agriculture' in order to:

a. encourage productive use of lands not currently planned for city development, or
b. preserve lands in agricultural uses where physical limitations, such as frequent flooding or high ground water conditions, make them unsuitable for other uses

R-LU 12
No use perm
approved fo
course/cour
preserve," c
"Agriculture
city of Gilro

R-LU 13
Prior to mak
approve any
on lands des
"agricultura
conduct a st
criteria for t
within agric
evaluate env
including bu
a. compati
b. effects o
c. water su
d. public s
and
e. growth-

Allowable

R-LU 14
For areas de
minimum p

nit or other application may be
r the purpose of establishing a golf
ntry club with the "agricultural
onsisting of those lands designated
e-Large Scale" south and east of the
y.

cing a decision as to whether to
golf course that might be proposed
signated "Agriculture" outside of the
l preserve," the County shall
udy to establish specific policies and
he development of golf courses
ultural areas. The study should
vironmental and land use impacts
at not limited to:
bility with agriculture;
n prime soils;
upply and quality issues;
ervice and infrastructure demands;

inducing potential.

Densities

signated 'Agriculture-Large Scale,'
arcel sizes shall be no less than 40

make them unsuitable for other uses.

(see also Resource Conservation chapter, "Agriculture" section)

R-LU 10
Lands designated 'Agriculture' include those having Class I, II, and III soils which generally have been in agricultural production and where agricultural uses are most appropriate.

Allowable Uses

R-LU 11
Allowable land uses shall be limited to:

a. agriculture and ancillary uses;
b. uses necessary to directly support local agriculture; and
c. other uses compatible with agriculture which clearly enhance the long term viability of local agriculture and agricultural lands.

acres.

R-LU 15
For areas de
Scale,' minir
than 20 acre

:signated 'Agriculture-Medium
:num parcel sizes shall be no less
s.

LAND USE PLAN

The Land Use Element Map identifies eight major categ
residential, agricultural, commercial, industrial, park, flo
special study and potential residential growth increase de

AGRICULTURAL

This category applies to the majority of the land area wit
land is presently used for agricultural, hillsides over 30%
purposes. The uses allowed within this category include
natural state, wildlife refuges, very low intensity resident
must be located in undeveloped areas. Conditional uses
density recreational facilities and institutional land uses.
density zones:

1. AGRICULTURAL PRODUCTIVE (5 acre mini

This designation is applied especially to those lands whic
agricultural lands but also includes agriculturally product
grazing lands. The minimum lot size in this area shall be

2. AGRICULTURAL RANGELAND (40-acre mini

This designation is assigned to the remote hillside areas,
Williamson Act land, many of which have been classified
within the Open Space and Conservation Elements. The
transportation access, high to very high fire hazard and b
allow for more dense types of development. Many of th

ɔries of land use: urban,
ɔd, public/quasi-public, area of
ɛsignation (PRGI).

ɛhin San Benito County. This
, rangeland and open space
agriculture, grazing, land in its
ial, and uses that, by their nature,
include mineral extraction, low
This category is divided into two

mum lot size)

ɛh are identified as being prime
ɛive lands of any type, including
five acres.

mum lot size)

watershed and rangeland, such as
as some form of open space
ɛse areas are typified by a lack of
ɔy the lack of utility services to
ese areas are found within the

critical fire hazard area or in the "out back" areas of the
the County.

RESIDENTIAL

This category applies to areas where the residential dens
acre may occur and where the use of the land is primaril
Densities up to ten units per acre may be allowed provid
affordable housing are satisfied. These areas lie outside

The County will promote the well being and adequate fu
protect the resources upon which they depend. Only the
designated, and no area has been designated which is not
residential uses. In the future, the County may find that
needed and the County will evaluate the suitability of pr

The uses allowed within this category include residential,
Conditionally permitted uses include churches and schoo
four density zones.

many isolated canyons throughout

ities up to eight dwelling units per
/ for residential purposes.
ed performance standards for
of City lands.

nctioning of these areas and will
most significant areas are
already established with
additional residential areas may be
)posing additional areas.

, agricultural, and open space.
ls. This category is divided into

Pajaro River Watershed Flood Protection Authority

c/o Regional Analysis and Planning Services, Inc.,
A Non-Profit Organization of the Association of Monterey Bay Area Governments
P.O. Box 809
Marina, CA 93933-0809
(831) 883-3750

February 12, 2003

Ms. Bonnie Ross, Project Manager
Flood Protection Corridor Program
Department of Water Resources, Division of Flood Management
1416 Ninth Street, Room 1641
Sacramento, CA 95814

Subject: Grant Application by The Nature Conservancy for Soap Lake Area Preservation

Dear Ms. Ross:

As authorized on January 3, 2003 by the Board of Directors of the Pajaro River Watershed Flood Prevention Authority (Authority), this is a letter of support for the subject grant application.

The Authority was created in 1999 by a mandate of the State of California to address the need for coordinated, environmentally sensitive planning for flood prevention and control within the Pajaro River Watershed of Central California. The Board of Directors of this Authority consists of elected representatives of the County of Monterey, County of San Benito, County of Santa Clara, County of Santa Cruz, the Monterey County Water Resources Agency, the San Benito County Water District, the Santa Clara Valley Water District and Santa Cruz County Flood Zone 7 District.

In July 2002, the Board of Directors of the Authority accepted its' Phase One Report on hydrology/sediment modeling of the Pajaro River Watershed. A central finding of the report pertains to the importance of the Soap Lake area as a natural detention storage area. The report states that *"both Upper and Lower Soap Lake play significant roles in limiting runoff discharge and sediment input to the lower Pajaro River from the upper reaches."* (Page 4-3; italics added).

Consistent with this finding, the Authority has provided technical assistance to The Nature Conservancy in preparation of a grant application to the Department of Water Resources for assistance with preservation of the Soap Lake area as a natural detention

storage area. In addition, the Authority is assisting in the funding of a study for the Soap Lake area that will develop an integrated land preservation plan for protection of water quality, agriculture and the flood plain.

On behalf of the Pajaro River Watershed Flood Prevention Authority, I urge your Department's support of The Nature Conservancy's grant application.

Sincerely,

Louis R Calcagno

Louis R. Calcagno, Chair
Pajaro River Watershed Flood Prevention Authority

cc: Mr. Lloyd Wagstaff, The Nature Conservancy

LAFCO
Local Agency Formation Commission of Santa Clara County

February 13, 2003

Lloyd Wagstaff
Mt. Hamilton Project Director
The Nature Conservancy of California
201 Mission Street, 4th Floor
San Francisco, CA 94105-1832

Dear Mr. Wagstaff,

This letter is in response to your request for a letter stating whether your project is consistent with the policies of the Local Agency Formation Commission of Santa Clara County.

We understand that The Nature Conservancy is applying to the California Department of Water Resources for a grant for a project in the "Pajaro River Agricultural Area." The Project involves acquisition of real property or easements on five properties located in South Santa Clara County for the purpose of preserving the area as a floodplain/agricultural area that will also serve as a wildlife corridor.

The Pajaro River Project Area is part of a larger area that is often referred to as the "Gilroy Agricultural Lands Area." LAFCO of Santa Clara County adopted policies for the "Gilroy Agricultural Lands Area" on February 12, 1997. These policies were established to reflect the inter-jurisdictional agreement entitled "Strategies to Balance Planned Growth and Agricultural Viability," which was endorsed by the City of Gilroy on September 23, 1996, LAFCO on October 9, 1996 and the County Board of Supervisors on October 29, 1996. The agreement is intended to ensure the economic viability of agricultural businesses and to preserve productive agricultural lands south and east of Gilroy for continued agricultural use. Furthermore, the project area is outside any city limits and Urban Service Area (USA). The County of Santa Clara General Plan designated the project area as "Large-Scale Agriculture."

For these reasons preserving this area as an agricultural area is consistent with LAFCO policy.

Sincerely,

Neelima Palacherla

Neelima Palacherla, LAFCO Executive Officer

Cc: LAFCO Commission

County of Santa Cruz

FLOOD CONTROL AND WATER CONSERVATION DISTRICT

701 OCEAN STREET, ROOM 410, SANTA CRUZ, CA 95060-4070
(831) 454-2160 FAX (831) 454-2385 TDD (831) 454-2123

THOMAS L. BOLICH
DISTRICT ENGINEER

February 11, 2003

MR. EARL NELSON
FLOOD PROTECTION CORRIDOR PROGRAM
Division of Flood Management
1416 9th Street, Room 1641
Sacramento, CA 95814

SUBJECT: SUPPORT LETTER FOR GRANT APPLICATION

This letter expresses the support of the Santa Cruz County Flood Control and Water Conservation District (SCCFC&WCD) for The Nature Conservancy's application for funding under the Department of Water Resources Flood Protection Corridor Program.

Santa Cruz County is a member of the Pajaro River Watershed Flood Protection Authority (FPA), which was created in 1999 by the California legislature (AB 807) to address the need for coordinated planning for flood prevention and control within the Pajaro River Watershed. Through this process, Santa Cruz County has expressed its concern over flood impacts along the lower Pajaro River from the discharge of upstream sources. On January 14, 2003, the Board of Directors of Zone 7 of the SCCFC&WCD received a status report on the FPA. The status report addressed several matters, including FPA Board support for this proposal, and it reiterated findings regarding the importance of maintaining Soap Lake as a natural detention storage area.

It is our understanding that this grant application will assist in helping to permanently protect the upper and lower Soap Lake areas from future development. We are supportive of this application, which in its intent will continue to allow the natural detention and attenuation of floodwaters at Soap Lake. All the planning being done for the Pajaro River Watershed Flood Prevention Authority relies on the existence of flood detention at Soap Lake as a measure to protect downstream communities such as the City of Watsonville and other developed parts of Santa Cruz County.

We strongly endorse this application to assist the Pajaro River Watershed Flood Prevention Authority meet the goals established under AB 807.

Yours truly,

THOMAS L. BOLICH
Director of Public Works

BLC:bbs

Copy to: Zone 7 Board of Directors

SUPPORTB.WPD

Santa Clara County
Open Space Authority

February 7, 2003

Earl Nelson, Program Manager
Flood Protection Corridor Program
Division of Flood Management
1416 9th Street, Room 1641
Sacramento, CA 95814

Dear Mr. Nelson

This letter is to confirm the Santa Clara County Open Space Authority's support of The Nature Conservancy's grant application to the Department of Water Resources' Flood Protection Corridor Program.

The Authority's Mission Statement stresses the importance of the preservation of agriculture and of the natural resources found in Santa Clara County. Working with The Nature Conservancy on these acquisition projects gives us the opportunity to work on both of these important goals simultaneously.

This project also creates a wonderful opportunity for our agency to work with other agencies and non-profit organizations as we jointly work on our mutual goals.

We strongly endorse this application that will assist us in protecting important habitat and agriculture in Santa Clara County.

Respectfully,

Patrick Congdon
Interim General Manager

Santa Teresa Center • 6146 Camino Verde Drive, Suite P • San Jose, California 95119-1460 • 408-224-7476 • Fax 408-224-7548

Santa Clara Valley
Water District

5750 ALMADEN EXPWY
SAN JOSE, CA 95118-3686
TELEPHONE (408) 265-2600
FACIMILE (408) 266-0271
www.scvwd.dst.ca.us
AN EQUAL OPPORTUNITY EMPLOYER

February 10, 2003

Mr. Lloyd Wagstaff
The Nature Conservancy
201 Mission Street, Fourth Floor
San Francisco, CA 94105

Dear Mr. Wagstaff:

I am encouraged to hear that you are applying for funds under the Department of Water Resources' Flood Protection Corridor Program for preservation of the Pajaro River floodplain and want to let you know that the Santa Clara Valley Water District supports The Nature Conservancy's in this effort.

As the flood and watershed management agency for the County of Santa Clara and a member of the Pajaro River Watershed Flood Prevention Authority, our District recognizes the need to protect this important floodplain. However, it will take the efforts and support of many others to make this a reality. We have already agreed to support you in funding an integrated plan to protect the floodplain, preserve agriculture and enhance the Pajaro River as a wildlife corridor and hope that this grant will be approved to further help permanently protect the valuable floodplain and other resources in this area.

Thank you for your leadership and I strongly encourage the Department of Water Resources to approve this application for the permanent protection of the Pajaro River area.

Respectfully,

Marc J. Klemencic, P.E.
Assistant Operating Officer
Watershed Management Division

cc: J. Fiedler, B. Goldie, M. Klemencic

MK:km

Section 497.7. Application for Grant Funding

Applicants for grant funding under the program shall file a complete application with the Department on a form prescribed by the Department. The Department shall not revise the application form during any period in which project proposals are being solicited. A complete application shall contain at least the following information:

(a) A description of the proposed project including:

(1) A statement of the problem being addressed **See Pages 1 through 4 of grant application.**

(2) A discussion of the ways that the project addresses the problem and satisfies the purposes described in Section 497.5(a)(2). **See Pages 1 through 4 of grant application.**

(3) A description of the project approach **See Pages 1 through 4 of grant application.**

(4) A discussion of the expected outcome and benefits of the project **See Pages 1 through 4 of grant application.**

(5) A description of the geographic boundaries of the project. **See Exhibit II for maps of specific properties to be acquired. See Exhibit V-1 for map of Upper Pájaro floodplain.**

(6) Verification that the project is located at least partially in one of the qualifying areas listed in Section 497.5(a). **See section III of grant application.**

(7) A description and justification of any proposed use of program funds for flood control system or water system repairs performed as part of an easement program or a project developed or financed under the program (Water Code Section 79043). **Acquisition project. Does not apply.**

(8) A demonstration that the project is technically feasible. **Acquisition project. The Nature Conservancy is qualified to complete this project.**

(9) A hydrologic and hydraulic analysis prepared by a civil engineer registered pursuant to California law or a Professional Hydrologist-Surface Water certified by the American Institute of Hydrology. **Acquisition project. No change in hydrology.**

(10) A complete initial study environmental checklist as required by Section 15063(f), Title 1, California Code of Regulations, and if available a completed Environmental Impact Report or other environmental documentation as

required by CEQA. **Acquisition of open space by a non-profit that is in substantially natural condition. This project is categorically exempt.**

(11) A list of required permits for the project and an implementation plan for their procurement. **Acquisition project. No permits are required.**

(b) Maps and drawings as necessary to describe the project, including:

(1) A vicinity map **See Exhibit V-1.**

(2) A map indicating location of project features and boundaries of affected property. **See Exhibits II-1, II-2 & II-3.**

(3) Drawings or sketches of project features as necessary to describe them. **Acquisition project will have no change in the project other than found in (b)(2) above.**

(c) A financial summary including:

(1) The estimated cost of the project broken down by task **See exhibit II-4.**

(2) The estimated flood control benefits of the project **See sections IV-B & IV-D of grant application.**

(3) The amount of the grant requested. **$3,292,000.00**

(4) The estimated amount to be funded by the applicant. **N/A**

(5) Identification of any other parties contributing to the cost, and the amounts and activities to be funded by them. **Santa Clara County Open Space Authority: $1,000,000. North American Wetlands Conservation Act (federal funds): $500,000.**

(d) A summary of proposed property acquisition rights including:

(1) Identification of each property. **See Exhibits II-1, II-2 & II-3.**

(2) Names, addresses and telephone numbers of the property owners and lessees or tenants. **See Exhibits II-1, II-2 & II-3.**

(3) The type of property rights to be acquired (such as easement or fee title). **See Exhibits II-1, II-2 & II-3**

(4) Evidence that affected landowners are willing participants in any proposed real property transactions. **Landowners have been contacted individually**

to confirm interest in conveying these rights and participating in this grant program.

(5) A justification of any proposed acquisition of fee interest in property to protect or enhance a flood protection corridor or floodplain while preserving or enhancing agricultural use (Water Code Section 79037(b)(1)) which includes:

a. Reason for the fee title acquisition.
Torres: Probably all easement. May have some fee-title for the land under the river if property owner so desires.

Gonzales: This parcels long and narrow shape offers a unique opportunity to use this land as a wildlife corridor, which is a critical component of this area. Retaining this property as open pasture to confirm that it can be used as a wildlife corridor is important.

Paxton: No fee-title is being considered.

b. Alternatives considered to fee title acquisition for each property. **It is not critical that this property be owned as fee-title once a wildlife corridor has been permanently preserved. This could revert to private ownership.**

c. Proposed final disposition of the property. **Rights for the Torres and Gonzales parcels are to be retained by the Santa Clara County Open Space Authority. The Paxton property could be owned by the San Benito Agricultural Land Trust, the Land Trust for Santa Clara County or by the Santa Clara County Open Space Authority.**

d. Effect on county property tax revenue. **All properties are in the Williamson Act; no impact on tax revenues are expected.**

(e) A tentative work plan for the project including:

(1) A timetable for execution of the project. **See Exhibit II-4.**

(2) A task breakdown for the project **See Exhibit II-4.**

(3) A description of how services of the California Conservation Corps, or local community conservation corps will be used in the project. **Acquisition project. Not applicable.**

(f) A list of names and addresses of owners of all property interests in parcels adjacent to those for which acquisition of property rights is proposed. **See Exhibit II-5.**

(g) If property rights are to be acquired for the project, or if a need is indicated in environmental review documentation prepared for the project pursuant to CEQA, a plan to minimize the impact of the project on adjacent property owners, including but not limited to the following (Water Code Section 79041):

(1) An evaluation of the impact on floodwaters **This project will not change floodwaters.**

(2) The structural integrity of affected levees **There are no flood levees on Paxton or Gonzales. Levees on Torres are owned and maintained by the Santa Clara Valley Water District.**

(3) Diversion facilities **None.**

(4) Current and historic agricultural practices on the project site and in the vicinity. **No changes will occur to the Torres or Paxton's historic use. Gonzales has occasionally been used for row crops, but has predominantly been used for pasturage which is its existing use. There would be no change to the Gonzales's existing use as open pasture.**

(5) Timber extraction operations. **No timber on these parcels.**

(6) An evaluation with regard to maintenance. **Torres and Paxton will be easements and will not change current uses. Gonzales will be maintained by the Santa Clara County Open Space Authority in its current natural condition.**

(h) A description of the input and participation that local groups and affected parties provided in the preparation of the work plan and application. **See Section V.B4.4 of the grant application for a list of collaborating organizations.**

(i) A statement relative to the use of a trust fund for maintenance, or any proposed alternative, as specified in Water Code Section 79044. **These lands will be managed by the Santa Clara County Open Space Authority or by a local land trust.**

(j) Either or both of the following, depending on applicability:

(1) An analysis of the project benefits to wildlife habitat. **See Section V.A. of the grant application.**

(2) A description of project actions to preserve agricultural land. **See Section V.B of the grant application.**

(k) A statement of qualifications for the project team. **See section VI.D.3 of the grant application.**

(l) A written statement by an attorney certifying that the applicant is authorized to enter into a grant agreement with the State of California. **See attached.**

Note: Authority: Water Code Sections 8300, 12580, and 79044.9.
Reference: Water Code Sections 79035 through 79044; Public Resources Code Sections 21000 *et seq*.; California Code of Regulations, Title 1, Section 15063(f).

The Nature Conservancy®

California Regional Office
201 Mission Street, 4th Floor
San Francisco, California 94105
tel 415 777-0487
fax 415 777-0244 & 415 777-0772
www.tncca liforn ia.org

International Headquarters
4245 North Fairfax Drive
Suite 100
Arlington, Virginia 22203-1606
tel 703 841-5300
www.tnc.org

February 13, 2003

California Department of Water Resources
Flood Protection Corridor Program
Attn: Earl Nelson, Program Manager
Division of Flood Management
1416 9th Street, Room 1641
Sacramento, CA 95814

Re: The Nature Conservancy

Ladies and Gentlemen:

This letter is being submitted to you on behalf of The Nature Conservancy, a District of Columbia non-profit corporation ("TNC"), in conjunction with two applications for funding which TNC is submitting to you under your Flood Protection Corridor Program: one for the Upper Pajaro River in Santa Clara and San Benito Counties and one for the Santa Maria River in San Diego County.

As explained in more detail in the supplemental information concerning TNC which is being submitted with this letter, TNC is a non-profit organization described in Sections 501(c)(3) and 170(b)(1)(A)(vi) of the US Internal Revenue Code, and is thus authorized under California Water Code Section 79037(a) to propose the projects which are the subject of these applications.

Once you have had an opportunity to review the enclosed material and the applications, please feel free to contact me with any questions or comments you may have about this issue. My direct telephone line is 415-281-0471, and you can also reach me by email at kjewell@tnc.org.

Very truly yours,

Kevin P. Jewell

Kevin P. Jewell
Western Region Attorney

Enclosures

-7

Internal Revenue Service
Washington, DC 20224

Date: DEC 1 9 1968

In reply refer to: T:I:I:1:1

The Nature Conservancy
1522 K Street, N. W.
Washington, D. C. 20005

Attention: E. R. Kingman
Vice President

Gentlemen:

This is in reply to your letter dated October 9, 1968, requesting a ruling that you qualify as a "publicly supported" organization under section 170(b)(1)(A)(vi) of the Internal Revenue Code so that contributions to you are subject to the special limitation provisions of section 170(b)(1)(A) of the Code.

Under section 170(b)(1)(A) of the Code an individual is allowed an additional deduction not exceeding 10 percent of his adjusted gross income for contributions made to certain organizations, including an organization described in section 170(b)(1)(A)(vi) of the Code.

Section 170(b)(1)(A)(vi) of the Code describes an organization referred to in section 170(c)(2) which normally receives a substantial part of its support (exclusive of income received in the exercise or performance by such organization of its charitable, educational, or other purpose or function constituting the basis for its exemption under section 501(a)) from a governmental unit referred to in section 170(c)(1) or from direct or indirect contributions from the general public.

The information submitted with your request discloses the following:

You are exempt from Federal income tax as an organization described in section 501(c)(3) of the Code, which is substantially similar to section 170(c)(2), and contributions to you are deductible under section 170 of the Code.

You were incorporated in October 1951 as a nonprofit corporation under the laws of the District of Columbia. Your purposes, as set forth in your Certificate of Incorporation, are (a) to preserve or

aid in the preservation of all types of wild nature, including natural areas, features, objects, flora and fauna, and biotic communities; (b) to establish nature reserves or other protected areas to be used for scientific, educational, and esthetic purposes; (c) to promote the conservation and proper use of natural resources; (d) to engage in or promote the study of plant and animal communities and of other phases of ecology, natural history, and conservation; and (e) to promote education in the fields of nature preservation and conservation.

It is stated that your primary objective is to acquire and to protect outstanding natural areas. By early 1968, you had been instrumental in having nearly 95,000 acres set aside as sanctuaries and preserves throughout the United States, and you anticipate that you will reach the 100,000 acre mark before the end of the calendar year. You acquire land either by gift or by purchase and a great deal of this procurement is for Federal, state and local governments. Your activities include the chartering of local subordinate chapters to perform local functions in carrying out your purposes.

Your by-laws provide for several classes of membership and specify the contribution required for membership in each membership class. Membership in your organization is open to any individual or organization approving of your objectives.

You are governed by a Board of Governors which presently consists of a Chairman of the Board, a Vice Chairman, Secretary, Treasurer and twenty-one members at large. It is stated that the members at large are chosen, insofar as possible, because of their skills, varied interests, and their deep and devoted interest in the conservation of this country's natural resources and an abiding love of the land itself. Additionally, an attempt is made to have the Board represent as many areas of the country as possible.

Your support for the four fiscal years June 30, 1965 through June 30, 1968, was derived substantially from contributions received directly and indirectly from the general public, as well as from membership dues and investment income. An article in the Sunday, November 10, 1968, issue of the Washington Post states that the Ford Foundation is giving you $6 million to buy 97 tracts of land and hold them for later government use. Your method of making financial reports available to the public has been through your publication, The Nature Conservancy News. In addition to printing a summary in the News, you have always carried a notice stating that the complete financial statement was available upon request to your national headquarters office.

The facts and circumstances presented indicate that you are a publicly supported organization described in section 170(b)(1)(A)(vi) of the Code. Accordingly, the special limitation provided in section 170(b)(1)(A) of the Code is applicable to contributions made to you by individual donors.

Very truly yours,

Chief, Individual Income Tax Branch

Internal Revenue Service

Department of the Treasury

District Director — Baltimore District

31 Hopkins Plaza, Baltimore, Md. 21201

P.O. Box 13163, Room 817
Baltimore, MD 21203

February 9, 1996

NATURE CONSERVANCY INC
1815 N LYNN STREET
ARLINGTON, VA 22209

Employer Identification Number:
53-0242652

Person to Contact:
EP/EO Tax Examiner

Telephone Number:
(410) 962-6058

Dear Sir/Madam:

This is in response to your inquiry dated January 10, 1996, requesting a copy of the letter which granted tax-exempt status to the above named organization.

Our records show that the organization was recognized as tax-exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code and issued a Group Exemption Letter effective March, 1954. Your Group Exemption Number is 1351.

You are required to submit annually, at least 90 days before the close of your annual accounting period, a statement describing any changes during this period as to the purposes, character, or method of operation of your subordinates.

A copy of our letter certifying the status of the organization is not available, however, this letter may be used to verify your tax-exempt status.

Because this letter could help resolve any questions about your exempt status, it should be kept in your permanent records.

Sincerely yours,

Paul M. Harrington
District Director